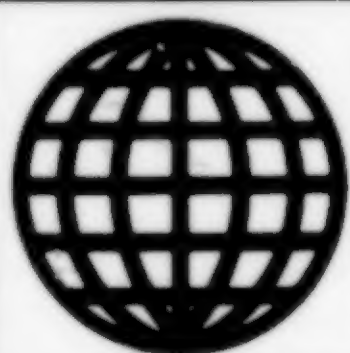




**FOREIGN
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Daily Report

East Asia

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15 June 1990

Daily Report

East Asia

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Reportage on ESCAP Cooperation, Funding

Australia Objects to Plans

BK0806024790 Bangkok *THE NATION* in English
8 Jun 90 p 2

[By Thana Poopat]

[Text] A proposal by the UN Economic and Social Commission for Asia and the Pacific (Escap) to create a subsidiary body to promote economic cooperation among its 48 member countries received responses ranging from lukewarm approval to outright rejection yesterday.

Australia consistently objected to proposals to establish a Council for Regional Economic Cooperation, which it said would duplicate the roles of existing regional economic organizations, such as Asean and South Pacific Economic Cooperation, and further aggravate what it called inefficiency within the Escap Secretariat.

Session chairman Beranado Vunibobo called a close-door meeting in the afternoon that lasted two hours, during which delegates discussed Escap Executive Secretary Shah Kibria's proposal. The closed session was apparently called to avoid publicity about divergent opinions over the proposal.

Kibria, in a policy statement delivered on Monday, proposed the creation of an Escap council which would set up and supervise three task forces charged with promoting cooperation in finance, trade and investment, and technology transfers among member countries. The proposed council appears to be modelled on the European Community (EC), with an ambitious aim of eventually integrating Escap economies. Some delegates said they believed the council was meant to be Kibria's "legacy" after he leaves office next year.

Most Escap countries, except the 12 countries already grouped together under the Australian-proposed Asia Pacific Economic Cooperation (Apec), agreed in principle to the idea of a large economic grouping that would embrace all Escap economies regardless of their degree of development. Some Apec members were suspicious that Escap was trying to push for an alternative to their newly-formed grouping.

Apec groups together the six Asean countries with Australia, New Zealand, Japan, South Korea, the United States and Canada. The grouping is thought of by proponents as an economic alliance to counterbalance the European Community, which is to become a single market in 1992.

But most delegates urged the Escap Secretariat to exercise caution in launching the ambitious undertaking,

which they said would require further consultation and careful study so as not to duplicate the roles of existing regional organizations or put a strain on Escap's limited financial resources.

—Kibria, in a press conference statement issued yesterday, conceded that a new regional economic cooperation mechanism among Escap countries is not easy to achieve and could turn out to be "rather slow and agonizing process."

Sharabsambuu Speaks

OW0806054490 Ulaanbaatar *MONTSAME* in English
1715 GMT 7 Jun 90

[Text] Ulaanbaatar, 7 Jun (OANA-MONTSAME)—B. Sharabsambuu made a speech at the 46 rpt 46th session of Socio-Economic Commission of Asia and the Pacific [ESCAP]. In this speech the Mongolian deputy prime-minister elucidated the open economic policy, being carried out by the M.P.R. [Mongolian People's Republic], and expressed its readiness to develop trade-economic cooperation with the Asian and Pacific countries on the basis of equitable and mutual advantage.

B. Sharabsambuu was received by S. Kibria, executive secretary of the Asia and Pacific Commission.

\$17.8 Million Pledged

BK1006034490 Bangkok *BANGKOK POST* in English
10 Jun 90 p 3

[Text] Major donor countries and developing nations yesterday pledged in cash and kind a \$17.8-million fund for the work programme and training activities of the United Nations Economic & Social Commission for Asia and the Pacific [ESCAP] for 1990. This amount represents a slight increase over last year.

Donor countries include Japan (\$7.5 million), the Netherlands (\$2.1 million), France (\$2 million), West Germany (\$1 million), Norway (\$900,000) and Australia (\$443,000). Developing nations which donated include South Korea (\$700,000) and China (\$284,000).

Socialist Trade Ministers Meet in Ulaanbaatar

OW1306093390 Ulaanbaatar *International Service*
in English 0910 GMT 13 Jun 90

[Text] Trade ministers of the socialist countries have for the second time met in the Mongolian capital to discuss issues related to the perfection of economic mechanism in the sphere of home trade, trade turnover among the socialist countries, and the development of their scientific-technological cooperation. The meeting is being attended by home trade ministers of Bulgaria, Hungary, Vietnam, the GDR, Cuba, Mongolia, Poland, Romania, the USSR, and Czechoslovakia.

Japan**Nakayama on San Francisco Talks With Baker***OW1406145790 Tokyo NHK General Television Network in Japanese 1000 GMT 14 Jun 90*

[Text] On the eve of talks with U.S. Secretary of State Baker in San Francisco tomorrow morning, Japan time, Foreign Minister Nakayama held a news conference today. Regarding the issue of Japan's investments in public works projects, which has become a focal point in the final report of the Japanese-U.S. Structural Impediments Initiative [SII] talks, the foreign minister expressed the view that Japan would seek the United States' understanding by indicating the gross investment amount for the next 10 years in accordance with the established policy. As to the issue of the U.S. demand that Japan should clearly state the GNP ratio of the next 10-year investment in public works projects in the final report of the Japan-U.S. SII talks slated for late this month, the foreign minister said: Japan plans to make clear the gross investment amount for the public works projects in the final report. Consultations are under way among the relevant ministries to increase the amount. I intend to seek the understanding of Secretary Baker by explaining this plan.

On the issue of the U.S. demand for establishing a body to monitor the progress in the implementation of the report, the foreign minister said: Japan views the monitoring as necessary, and I would like to discuss specific ways to that end at the upcoming talks. On Japan's policy toward China, including the issue of resuming the third yen-based loan to China which remains frozen, the foreign minister stated: Japan thinks that it is not desirable to isolate China internationally, and I want to convey this view to the United States. Thus, he indicated his intention to exchange views with the United States on the issue of unfreezing the third yen-based loan to China after the Houston summit meeting slated for next month.

Leaves To Attend Talks*OW1506113990 Tokyo KYODO in English 1126 GMT 15 Jun 90*

[Text] Tokyo, June 15 KYODO—Foreign Minister Taro Nakayama left Japan Friday for San Francisco and talks with U.S. Secretary of State James Baker.

Nakayama will hold talks with Baker for three hours on Friday (local time) mainly on issues surrounding the Structural Impediments Initiative (SII) and conditions for reopening frozen Japanese official loans to China, government sources said.

Nakayama will return to Japan on Sunday.

Fair Trade Commission Boosts Antimonopoly Force*OW0906003890 Tokyo KYODO in English 1016 GMT 8 Jun 90*

[Text] Tokyo, June 8 KYODO—The Fair Trade Commission (FTC) has reinforced its antimonopoly forces in response to U.S. calls for stricter enforcement of Japan's antimonopoly law, FTC announced Friday. The FTC's measures, promised in the April interim report on the so-called structural impediments initiative (SII) talks with the U.S., were formalized Thursday as the 1990 national budget was approved in the Diet.

The commission has increased the number of personnel of its investigation department by 20 percent, from 129 to 154. It has also created a new unit, named "the second information analysis office," to collect information on violations of the law.

The FTC also opened a new section at its executive bureau, which is in charge of consultation and handling complaints from foreign firms seeking access to Japanese markets. The new section—consultation and complaint section for foreign firms—is designed to help foreign companies in filing complaints with the FTC and to facilitate their notification to the FTC of possible anti-monopoly law violations, it said.

Official Downplays Call for Keeping Surplus*OW1106154990 Tokyo KYODO in English 1417 GMT 11 Jun 90*

[Text] Tokyo, June 11 Kyodo—A senior Finance Ministry official appeared surprised Monday at harsh U.S. criticism of a Japanese report calling on Japan to maintain a surplus on the current account. "Newspapers must be blamed for it," said the official. "The report only touched on the need for increased savings to meet growing capital demands from abroad."

The official, who spoke with reporters on condition of anonymity, said headlines which suggested there had been a call for a surplus were "inappropriate." The official made the remarks when asked to comment on reports from Washington quoting high-ranking U.S. officials as dismissing the Japanese report as "illogical" and "dangerous."

The U.S. officials were reported to have said that there is no connection between a current account surplus and a country's ability to finance private investment and overseas development.

A subpanel attached to the committee on foreign exchange and other transactions, an advisory body to the finance minister, presented a report last month saying that Japan's current account surplus is not necessarily a disruptive factor for the world economy. Following the report, several ministry officials have said Japan needs to keep a certain level of surplus on the current account, a broad measure of trade in goods and services.

The nation's current account surplus has been narrowing steadily recently, to 2 percent of gross national product in fiscal 1989 after peaking in fiscal 1986 at 4.5 percent of GNP.

Minister Hopeful U.S. To Approve Spending Plan

*OW1206063690 Tokyo KYODO in English 0348 GMT
12 Jun 90*

[Text] Tokyo, June 12 KYODO—International Trade and Industry Minister Kabun Muto said Tuesday that detailing the total value of new public spending will satisfy the United States despite its demand that Tokyo commit to fixing such spending as a specified percentage of gross national product (GNP).

Muto told a press conference following a regular cabinet meeting that the government has not proposed any spending figure to the U.S. yet. But he added: "If we put on the table such a figure, the U.S. is likely to accept it eventually. And that will settle the matter."

In order to further boost domestic demand, Japan promised in the April interim report on the so-called structural impediments initiative (SII) talks to draw up a 10-year public spending plan. SII refers to a series of top-level talks begun last summer between Tokyo and Washington aimed at identifying structural barriers to trade and investment in each country's economy.

In the talks, the U.S. has criticized Japan for maintaining artificially high savings rates by under-investing in quality-of-life enhancing public works projects, such as parks, recreational facilities, and its road system. The U.S. also has called on Tokyo to promise to remedy the situation by committing to spend on public works over the next 10 years a substantially larger and fixed percentage of Japan's GNP.

Referring to a news report that the government is considering setting up an import-promoting council under the direct jurisdiction of Prime Minister Toshiki Kaifu, Muto said, "I have heard the rumor. But no formal discussions are under way."

"We should consider such an idea if imports would not increase unless a premier-supervised organization takes charge of the task. But I doubt if such a system is really necessary to boost imports," he said.

Ministry Drafts Plan for More New Housing

*OW1206151190 Tokyo KYODO in English 1406 GMT
12 Jun 90*

[Text] Tokyo, June 12 KYODO—The Construction Ministry has drafted a five-year plan to build more housing with public funds in an effort to counter U.S. demands for greater public outlays, ministry officials said Tuesday. The project, covering fiscal 1991-1995, calls for building 3.8 million houses with public

financing during the period, more than the 3.3 million units eyed under the present five-year project, officials said.

The public housing plan is still subject to talks with the Finance Ministry over a related spending plan and is to be presented to U.S. officials in a final report at upcoming Structural Impediments Initiative trade talks, they said. The project, designed to raise an average per-house floor space to 95 square meters from the average 89.3 square meters in fiscal 1988, would form part of eight public spending programs that Tokyo would incorporate in the final SII report, the officials said.

Japan has been under pressure from the United States to boost public spending drastically to help generate domestic demand to rectify the 49 billion dollar annual U.S. trade deficit with Japan.

'Likely' Public Works Pledge of Y450 Trillion

*OW1406142290 Tokyo KYODO in English 1324 GMT
14 Jun 90*

[Text] Tokyo, June 14 KYODO—Japan is likely to commit about 450 trillion yen to public works spending over a 10-year period as part of its plan to ease trade friction with the United States, a senior ruling party leader said Thursday. The size of Japan's public works investment is a key issue in the year-old structural impediments initiative (SII) talks between Tokyo and Washington aimed at easing trade and investment barriers in both countries.

Former Deputy Prime Minister Shin Kanemaru said Japanese and U.S. negotiators are likely to settle eventually on the 450 trillion yen sum. The negotiators are scheduled to meet in Tokyo on June 24-25 to thrash out a final report on the progress of SII, which is due out in July.

Japan agreed under the terms of an interim SII report released in April to give a specific amount on the size of Japan's public works spending over the next 10 years.

Referring to a Finance Ministry estimate that Japan can only afford to spend 415 trillion yen for public works projects over the next 10 years, Kanemaru said the Finance Ministry projection is "the worst case." The final agreement in July "would only exceed that and not be below," he said.

"I think the Finance Ministry would decide on around 450 trillion yen," Kanemaru said in an address to a group of highway construction industry leaders. Kanemaru, who wields strong influence within the ruling party, is the first LDP politician to cite a specific amount on public works spending. A senior Finance Ministry official said Kanemaru's figure is "a little bit too high," but implied a possible boost of the figure from 415 trillion yen to make it closer to Kanemaru's figure.

Foreign Minister Taro Nakayama told reporters Thursday Japan remains committed to the stance taken

last April in the SII interim report on a comprehensive plan for increased investment in the infrastructure.

Nakayama is scheduled to meet U.S. Secretary of State James Baker in San Francisco on Friday.

On the U.S. demand for greater Japanese public works spending as part of SII requests, Kanemaru said roads and the sewerage system would long remain as national assets in need of public funding and that expressway networks were also urgently needed to avoid further congestion. "So now the Finance Ministry should not be stingy on this," he said, stressing the need for greater public works spending which he said would benefit the Japan-U.S. relations.

The Finance Ministry has said its projection is equivalent to 8 percent of Japan's gross national product, but Kanemaru, quoting calculations by the Construction Ministry, said the figure should be 500 trillion yen, and not 415 trillion yen as stated by the Finance Ministry.

Minister on U.S. Request for Public Works Boost

OW1506043090 Tokyo KYODO in English 0233 GMT 15 Jun 90

[Text] Tokyo, June 15 KYODO—Finance Minister Ryutaro Hashimoto on Friday rejected a repeated U.S. request that Japan set a target for public works spending over the next decade and express the goal as an annual percentage of Gross National Product (GNP). He repeated Japan's position on the question at a press conference after the day's cabinet meeting when asked about a call from a senior U.S. official who reportedly wants Japan to spend 9 percent of GNP on public works annually over the coming 10 years.

The Government is opposed to setting an annual target for public spending, but is ready to set a total value for the decade beginning April 1, 1991, Hashimoto indicated. Resolving the issue is one of main difficulties in compiling a final report for the Japan-U.S. Structural Impediments Initiative (SII) talks which are designed to reduce structural barriers to trade and investment in both countries.

Hashimoto said that if a goal is fixed at a certain percentage of GNP, public works spending could be reduced if economic growth should slow. Japan considers that even if economic growth should dwindle, it would try to boost the economy by increasing public works spending, he said.

Foreign Minister Taro Nakayama, also speaking after the cabinet meeting, hinted that the final SII round set for June 25-26 in Tokyo may fail to reach conclusions on all questions still to be settled, but he said he hoped the work would be complete before the Houston summit of industrialized countries July 9-11.

Spokesman Says Japan Not 'Backsliding' on SII

OW1506121590 Tokyo KYODO in English 1145 GMT 15 Jun 90

[Text] Tokyo, June 15 KYODO—A Foreign Ministry spokesman on Friday rebutted remarks attributed to U.S. officials that Japan may be "backsliding" on commitments made in the Structural Impediments Initiative (SII) interim report last April. "It is erroneous for anybody to describe the efforts we are doing right now as in the direction of backsliding," said spokesman Taizo Watanabe in a meeting with foreign correspondents.

Watanabe said the Japanese Government "is trying its utmost to come up with a satisfactory final report as was promised."

The spokesman's remarks came shortly after Foreign Minister Taro Nakayama departed for talks with U.S. Secretary of State James Baker in San Francisco. The meeting is expected to focus on the progress of talks on removing structural impediments to trade ahead of the July deadline for the final SII report.

Watanabe expressed dismay at a rash of reports in the U.S. media suggesting that Japan appears to be stonewalling now that it has escaped the threat of sanctions under the Super 301 provision of the 1988 U.S. Omnibus Trade Act. U.S. Commerce Secretary Robert Mosbacher was quoted by the ASSOCIATED PRESS earlier in the day as telling a congressional panel on Thursday, "I hope for all our sakes they are just testing us to see if we have lost any of our resolve."

Watanabe drew particular attention to what he said was a "rather disturbing" article which appeared in the Friday edition of the INTERNATIONAL HERALD TRIBUNE. The TRIBUNE said that Prime Minister Toshiki Kaifu, having displayed political strength at the time of the interim SII report, has succumbed to mounting domestic political pressure to reject some of its key stipulations.

The article said the pressure on Kaifu from industry, senior bureaucrats and the governing Liberal Democratic Party (LDP) "reflects fundamental shifts in Japan's political climate over the past two months."

"Whatever is reported in this article, (with regard to) the domestic political situation, has no foundation at all," Watanabe said. He said that Japan's position "has never shifted" and that it plans to faithfully abide by the pledges it made in the interim report.

Watanabe said he was "flabbergasted" to read of negative assessments of Kaifu's position that were "based on the hearsay of people who cannot be identified." The spokesman was referring to an anonymous Foreign Ministry official who was quoted in the article as saying that for Kaifu, "listening too closely to the Americans has become a political risk."

The anonymous official also reportedly said that since the interim agreement was reached in April, "a kind of fatigue" has set in and the Japanese people are now "fed up with compromises."

Foreign Real Estate Investment Focused on U.S.

OW1206131490 Tokyo KYODO in English 1220 GMT 12 Jun 90

[Text] Tokyo, June 12 KYODO—Japanese real estate companies have spent more money on U.S. real estate than on real estate in any other country in recent years, a government survey released Tuesday showed. Cumulative investments in fiscal 1986-1988 totaled approximately 2.6 trillion yen, of which 51.3 percent went into buildings, hotels, and other real estate in the United States, the Construction Ministry said after surveying of 1,859 companies.

Of the companies surveyed, 62 percent responded with 132 pollees pouring money into foreign real estate during the period. The survey, the first of its kind, excluded cash-rich banks and other financial institutions, and ministry officials said overall investment by Japanese concerns could have reached 10 trillion yen.

Growth in such investment by the 132 real estate firms was nearly flat during the three-year period, totaling 861.9 billion yen in fiscal 1986, 873.8 billion yen in fiscal 1987, and 862.2 billion yen in fiscal 1988. The ministry did not provide dollar-based figures, citing difficulties compiling such statistics due to the variety of currencies used for dealings in foreign real estate.

Real estate in Oceania was the second target of Japanese investment, accounting for 22.4 percent of the total investment, the survey showed.

Real estate in Europe, including East European nations, ranked third with 19.5 percent, bringing the share of the U.S., Oceania and Europe in foreign real investment to more than 90 percent.

By type of property, office buildings ranked first with a 51.1 percent share, followed by hotels and other resort facilities with 18.9 percent, and complexes of hotels, housing and shopping centers with 10.6 percent.

Nearly 90 percent of the purchases were conducted by overseas subsidiaries because of lower fund-raising costs and other advantages, according to the survey.

Kaifu Denies Presence of Nuclear Arms in Nation

OW0906133590 Naha OKINAWA TIMES in Japanese 9 Jun 90 Morning Edition p 2

[Text] Tokyo—At the 6 June meeting of the House of Councillors Budget Committee, Communist member Koichiro Ueda asked the government if "there are any nuclear arms stored in Japan." Using U.S. Defense Department [DOD] data as a basis, he asked the question in light of the presence of units among the U.S.

forces in Japan, including at Kadena Air Base on Okinawa, that are capable of handling nuclear-arms-related accidents.

In reply, the government (Prime Minister Kaifu), adopting a traditional stance, said: "The presence of such units is one thing, and the introduction of nuclear arms into the country is another. There is not the slightest suspicion that nuclear arms are stored in Japan."

The datum presented by Mr. Ueda is the 1989 edition of a DOD list of various units with the capability of handling nuclear-arms-related accident. According to the list, such units are deployed in 486 places throughout the world, including five bases in Japan—Kadena, Yokota, Misawa, Iwakuni, and Yokosuka. Alpha-ray detectors reportedly have been installed at six places (two at Kadena).

In reply to Mr. Ueda's question, Matsuura, director general of the Foreign Ministry's North American Affairs Bureau, adhering to the traditional government position, said there should be no suspicions about the existence of nuclear arms. He said: "The presence of units capable of handling nuclear-arms-related accidents and the presence of nuclear arms are totally different questions. So long as the United States has not approached us for prior consultations [on bringing nuclear arms into Japan], we have no suspicions whatsoever about the presence of nuclear arms in Japan."

Mr. Ueda then pointed to the fact that tritium detectors—tritium is generated from hydrogen-bomb accidents—are installed at Kadena Air Base and aboard the U.S. aircraft carrier Midway, which uses Yokosuka as its home port. Calling for their removal, he said: "This is a new, serious suspicion. We cannot leave the matter as it is."

Military Situation To Be Discussed With U.S.

OW1006131790 Tokyo NHK General Television Network in Japanese 1000 GMT 6 Jun 90

[Text] The Defense Agency has decided to send officials, including the Defense Policy Bureau director, to Washington for an exchange of views on the international military situation on 22 and 23 June. The talks will provide a basis for formulating the next term Defense Buildup Plan, with the results of the recent U.S.-Soviet summit taken into consideration.

The Defense Agency is now drafting the next Defense Buildup Plan, which will be launched in fiscal 1992. A big problem in preparing the buildup plan is how to recognize the violently changing international military situation. In addition to the changes in the East European situation, a basic agreement was reached on strategic arms control at the U.S.-Soviet summit, and the first ROK-USSR summit was held.

The Defense Agency feels it necessary to agree with the United States, its biggest partner in security, in the perception of the international military situation, which will be the basis for formulating the next Defense Buildup Plan. The agency hurriedly decided to send to Washington Hiyoshi, director of the Defense Policy Bureau, and current Finance Bureau Director Fujii, who is tentatively designated to be the next Defense Policy Bureau director. They will hold talks with senior U.S. Defense Department officials on 22 and 23 June.

The Japanese and U.S. officials are to exchange views on a broad basis on the issue of Japan's increased share of the expenses for U.S. Forces stationed in Japan and the purchase of aerial refueling aircraft, in addition to the international military situation. Japan's increased burdensharing is a pending issue between the two countries in the area of defense cooperation. Washington wants Japan to introduce aerial refueling aircraft as new equipment.

Hearing on Plane Noise From Kadena Base Held

*OW0906053090 Naha NHK Television in Japanese
0315 GMT 7 Jun 90*

[Text] The 43d hearing of a lawsuit appealing to the court on the seriousness of noises from airplanes in Kadena Air Base was held in Naha Local Court's Okinawa City chapter on the morning of 6 June. The plaintiffs, residents living around the base, again presented their complaints on the severity of airplane noise from Kadena Air Base because the judges for the case were changed. The plaintiffs said they wanted quiet nights returned to their lives.

Over 900 residents, who are suffering from the noises of Kadena Air Base's airplanes, are demanding that airplanes' night-time flights be banned altogether and that the government pay appropriate compensation for damages they suffered.

At the 43d hearing, the plaintiffs repeated the explanation of their case, describing to the judges the seriousness of the noise around Kadena Air Base, because two of the original three judges in charge of the case were transferred. The two transferred judges included the the presiding judge.

During the hearing, Mr Seijin Yogi, head of Sunabe District of Chatan-cho, complained that the noises coming day and night from the base are not leaving even the minimum possible peace for the people in Sunabe. This is a living hell, he claimed. He made the appeal, sometimes in a shaky voice, choked with emotion.

Takeshita Notes Importance of Security Treaty

*OW1306083590 Tokyo KYODO in English 0739 GMT
13 Jun 90*

[Text] Tokyo, June 13 KYODO—Former Prime Minister Noboru Takeshita said Wednesday the Japanese

people should renew their appreciation over the Japan-U.S. Security Treaty signed 30 years ago this month. Takeshita, in meeting reporters at the Japan National Press Club, said the treaty has brought peace and stability to Japan.

Touching on Korea, Takeshita said Japan has no clues to help the two Koreas build dialogues between them as "walls of radio waves" have prevented Seoul and Pyongyang from better communicating.

He also referred to Eastern Europe and said Japan does not need to make independent political and economic policies for East European countries. Japan should follow the example set by the 12-member European Community, Takeshita said.

On domestic politics, he said a revision of parliamentary seats will be unavoidable in the forthcoming political reforms. Takeshita said the parliamentarians will hold full-fledged discussion on political reforms from this fall after further studying the Japanese election system.

Government 'Prepared To Pay More' U.S. Upkeep

*OW1506142990 Tokyo KYODO in English 1461 GMT
15 Jun 90*

[Text] Tokyo, June 15 KYODO—Former Foreign Minister Shintaro Abe said Friday Japan is prepared to pay more for the upkeep of U.S. military forces stationed in Japan, but overall, the military significance of the Japan-U.S. Security Treaty is diminishing. "It is very important to increase the financial contribution" for maintaining U.S. military forces, said Abe, Japan's special envoy to the United States for the occasion of the 30th anniversary of the revised Japan-U.S. Security Treaty.

He added, however, that in the future the nonmilitary role of the treaty will become more important. "Though the military aspect of the treaty may be receding, the political and economic sides will become more prominent," said Abe, leader of the ruling Liberal Democratic Party's second largest faction.

Abe said he intends to make several proposals during his nine-day trip to the United States. The former foreign minister scheduled slated [as received] to meet President George Bush on Friday, and also call on congressional leaders. The anniversary of the revised 1960 Security Treaty is June 23.

In a 40-minute interview with reporters, Abe suggested that a revision of a special U.S.-Japan security agreement may allow Japan to pay the salaries of Japanese employed on U.S. bases, as well as utilities fees. Under the present agreement Japan pays only allowances for the some 21,000 Japanese workers.

He ruled out the possibility of paying for repairs of warships as requested by the United States. Such payments would require revision of the Status of Forces Agreement, which remains a politically sensitive issue here.

"The significance of the bilateral security agreement is not weakening in the framework of the dialogue between the U.S. and Japan and our alliance," Abe said. The U.S. has some 50,000 military personnel stationed in and around Japan.

LDP To Establish U.S. Cooperation Fund

*OW1206065090 Tokyo KYODO in English 0614 GMT
12 Jun 90*

[Text] Tokyo, June 12 KYODO—Senior officials of the ruling Liberal Democratic Party (LDP) agreed Tuesday to set up a fund to promote personnel exchange programs between Japan and the United States, party officials said. The agreement came in separate meetings of former Foreign Minister Shintaro Abe with former Prime Minister Noboru Takeshita and former Deputy Prime Minister Shin Kanemaru.

Abe, who will represent the Japanese Government at a reception in Washington on June 23 to mark the 30th anniversary of the revised Japan-U.S. Security Treaty, met Takeshita and Kanemaru separately to discuss Japan-U.S. relations and domestic political affairs prior to his departure for the U.S. capital on June 19.

In response to Abe's proposal to establish the fund, Kanemaru pledged his all-out support for the plan, saying he thinks it will greatly help deepen friendly ties between Japan and the United States. Kanemaru, head of the LDP's largest faction set up by Takeshita, urged Abe to discuss the proposal in detail with LDP and government officials before he leaves for Washington on June 19.

Abe and Kanemaru also agreed to increase Japan's spending for U.S. troops stationed in Japan, according to the officials.

In his talks with Takeshita, Abe said he will tell the U.S. officials that Japan wants to unfreeze part of an 810 billion yen loan package to China from a humanitarian viewpoint. Japan has frozen implementation of the loan since the military crackdown on pro-democracy demonstrators in Beijing on June 4 last year.

Abe will deliver a speech at a luncheon at the State Department on June 20 and meet President George Bush the following day. He will return to Tokyo on June 27.

Seiko Develops Pager With San Francisco Firm

*OW1306000890 Tokyo KYODO in English 2303 GMT
12 Jun 90*

[Text] Tokyo, June 13 KYODO—Hattori Seiko Co. and Seiko Epson Corp. Wednesday announced the development of a wristwatch-pager combination with San Francisco's AT and E Corp. The two Seiko firms said the new product, named Seiko Receptor, is a watch with the function of paging, utilizing an unused FM (frequency modulation) broadcast radio wave (subcarrier).

AT and E will market the new product and start a communication service utilizing the combination in July in the United States, the announcement said. Hattori Seiko said that the Seiko Receptor communication service could not be started in Japan at the moment, because of legal barriers stemming from the Broadcast and Wireless Telegraphy Act. However, if and when the barriers are lifted, the company would like to enter the market, officials said.

Seiko Receptor is 4.3 centimeters in diameter, 1.5 centimeters in thickness and weighs 57.5 grams. This is the first watch version of the pager. The new product will sell for 275 dollars, and the pager service charge will be 12.5 dollars per month, officials said.

Letter Sent To DPRK Seeking Improved Ties

*OW1306075890 Tokyo KYODO in English 0554 GMT
13 Jun 90*

[Text] Tokyo, June 13 KYODO—Foreign Minister Taro Nakayama said Wednesday Japan has sent a letter to North Korea via the Japanese Embassy in Beijing calling for an improvement in bilateral ties.

Nakayama disclosed the sending of the letter in response to question from a member of the Japan Socialist Party at the House of Representatives Foreign Affairs Committee. He said Japanese Ambassador to China Hiroshi Hashimoto handed the letter to Chinese Communist Party General secretary Jiang Zemin when Zemin was visiting North Korea this spring.

Nakayama indicated that the action was taken against the background of Japan's efforts to make contacts with North Korea through its overseas embassies. He did not say whether there has been any response to the letter.

He said the historic summit meeting between South Korean President No Tae-u and Soviet President Mikhail Gorbachev earlier this month will have a positive impact on Asia. But Nakayama said the isolation of North Korea would stand in the way of a settlement of issues concerning the Korean peninsula. He said a dialogue between Tokyo and Pyongyang without preconditions would be good for the whole of Asia.

Kaifu 'Ready To Apologize' to North Korea

*OW1506073390 Tokyo KYODO in English 0655 GMT
15 Jun 90*

[Text] Tokyo, June 15 KYODO—Prime Minister Toshiki Kaifu told the Diet on Friday that he is ready to apologize to North Korea for Japan's 1910-1945 colonial rule of the Korean peninsula.

"I have a strong desire to establish better and stable relations with North Korea and hope to hold candid dialogue with the country," Kaifu said while responding to questions in the house of representatives Foreign Affairs Committee. Kaifu also said he intends to express his reflection to North Korea on the fact that Japan

inflicted grave harm on the Korean people during its rule of the peninsula if he has an opportunity to do so.

When Kaifu met South Korean President No Tae-u on May 24 in Tokyo, he apologized to No for pain caused to the Korean people by Japanese conduct.

Kaifu also said his government will make every effort to help former Deputy Prime Minister Shin Kanemaru realize his planned visit to Pyongyang this year.

Foreign Minister Taro Nakayama said there is a strong possibility that Japan and North Korea could open talks at the United Nations if North Korean authorities consent to contacts with Japan's U.N. ambassador.

Nakayama on PRC Support of Cambodian Accord

*OW1306134790 Tokyo KYODO in English 1303 GMT
13 Jun 90*

[Text] Tokyo, June 13 KYODO—Japanese Foreign Minister Taro Nakayama will soon send a letter to his Chinese counterpart Qian Qichen calling for China's support for a Cambodian ceasefire agreement signed here on June 5, Foreign Ministry sources said Wednesday.

Nakayama will ask China to use its influence on the Khmer Rouge, the strongest of the three Cambodian resistance factions, whose leader Khieu Samphan boycotted the signing session. The sources said China's support is essential, noting that China is the main backer of the Khmer Rouge.

Cambodian Premier Hun Sen and resistance leader Prince Norodom Sihanouk signed a communique in Tokyo on June 5 calling for voluntary restraint in the use of force and for establishment of a supreme national council, an interim governing body.

Last week, a Chinese Foreign Ministry spokeswoman expressed skepticism over the ceasefire agreement, saying "China has consistently held that a ceasefire is a component part of a comprehensive settlement of the Cambodian question, and any plans should be agreed on by the four warring parties of Cambodia before they can be implemented effectively."

PRC's Release of Political Prisoners Welcomed

*OW0806081990 Tokyo KYODO in English 0738 GMT
8 Jun 90*

[Text] Tokyo, June 8 (KYODO)—Japan welcomes the Chinese Government's reported decision on Wednesday to release a further 97 political prisoners arrested following the Tiananmen military crackdown on dissidents of June 3-4 last year, a Japanese Government spokesman said Friday. Foreign Ministry Spokesman Taizo Watanabe, speaking to reporters, welcomed the Chinese decision and noted that among the 97 were some prominent

members of the Federation of Autonomous Student Unions representing students at universities and colleges in Beijing.

Watanabe noted that China freed 573 political prisoners in January and another 211 in May, bringing the new total to 811 when the latest batch is released. He also pointed out that the Chinese Government said last May after announcing the release of the 211 political prisoners that another 431 cases are still under examination in Beijing.

With 76 of the latest group reportedly to be released in Beijing, this implies that some 355 dissidents remain under examination as possible candidates for release "in due course," Watanabe said. "We would like to keep our eyes on this development," he said.

Taiwan Decides To Regulate Japanese Imports

*OW1406153090 Tokyo KYODO in English 1351 GMT
14 Jun 90*

[Text] Tokyo, June 14 KYODO—Taiwan has decided to regulate imports from Japan in a bid to slash its massive trade deficit with Japan, sources familiar with Japan-Taiwan trade said Thursday. The measures, to be taken by Taiwan's Ministry of Economic Affairs, will feature incentives to discourage private firms from purchasing machinery and a ban on bidding by the Japanese for public works projects, the sources said.

They also call for antidumping duties on imports from Japan when such imports are found to be sold below fair market value, the sources noted. Taiwanese trading houses importing consumer goods from Japan will also be required to import such goods from the United States and European nations, they said.

In the meantime, Taiwan intends to expand exports to Japan with support from Japanese trading houses, the sources added.

Taiwan's trade deficit with Japan increased in 1989 for the fourth straight year, amounting to 6,964.9 million dollars. To halt the trend, Taiwan tried to boost exports to Japan last year, but the attempt has so far proved insufficient, giving rise to a view in Taiwan that Japan lacks the will to rectify the trade imbalance.

The new Taiwanese measures come at a time when many Taiwanese are upset over a revision of Japanese law that took effect June 1 abolishing a clause allowing Taiwanese to stay in Japan up to 72 hours without visas. But the sources denied the possibility that Taiwan devised the import-restricting measures in protest against this, saying the measures are solely intended to cut the trade deficit with Japan.

New Hong Kong-Kyushu Air Link Planned

*OW1306141390 Tokyo KYODO in English 1202 GMT
13 Jun 90*

[Text] Nagasaki, June 13 KYODO—The president of Hong Kong Dragon Airlines Ltd. said Wednesday he hopes to inaugurate a new air link between Hong Kong and Kyushu, southern Japan, early next year, Japanese officials said.

Jerry G. Penwarden spoke of the airline's plans when he met Nagasaki Prefecture Governor Isamu Takada to discuss details of a civil aviation accord reached between Japan and Britain in May. The two countries agreed to open a new air link between Japan and Hong Kong, a British crown colony until 1997, with the details yet to be determined.

Dragon Airlines cited three prefectures in Kyushu—Nagasaki, Oita and Kumamoto—as possible candidates for the service under the agreement.

Penwarden said Japanese insistence on restricting customs clearance and other airport services after 6 P.M. at airports is the biggest obstacle to opening the route, although the airports in the three prefectures are currently open to air traffic until 8:30 P.M. Kumamoto and Oita Prefectures have sent missions to Hong Kong in a bid to be chosen as the Japanese point for the new air route.

Soviet Mission Extends Invitation to Dietmen

*OW0806082090 Tokyo KYODO in English 0556 GMT
8 Jun 90*

[Text] Tokyo, June 8 KYODO—House of Representatives Speaker Yoshio Sakurauchi will head an interparty Japanese parliamentary mission on a visit to the Soviet Union next month, officials said Friday.

Representatives of the Liberal Democratic Party, the Japan Socialist Party, Komeito, the Japan Communist Party, and the Democratic Socialist Party will accompany Sakurauchi in the July 24-27 visit. The mission will be guests of Anatoliy Lukyanov, head of the Supreme Soviet, the Soviet legislature. A visiting Supreme Soviet mission extended the invitation to Sakurauchi in a meeting on Friday.

Later in the day, the visiting five-member Soviet delegation met with House of Councilors President Yoshihiko Tsuchiya. The leader of the Soviet mission, Nikolay Danilyuk, was quoted as telling Tsuchiya that they visited Japan to learn more about its multiparty system.

The Soviet delegation arrived Wednesday for an eight-day visit at the invitation of the Japan-Soviet Friendship Parliamentarians League.

Insurance Ban on Soviet Trade Worries Exporters

*OW1106143890 Tokyo KYODO in English 1358 GMT
11 Jun 90*

[Text] Tokyo, June 11 KYODO—A government ban on trade insurance for exports to the Soviet Union has provoked fears of a further slowdown in exports to that country, traders said Monday.

Officials at trading houses said that exports to the Soviet Union might drop because of the decision by the Ministry of International Trade and Industry not to provide trade insurance for Soviet-bound exports unless exporters get letters of credit from Soviet banks. A letter of credit is a document issued by a bank to guarantee the payment of an importer's drafts, eliminating the seller's risk.

MITI's action came in reaction to increasing delinquent Soviet payments for goods imported from Japan, which amounted to 255 million dollars at the end of April, the equivalent of roughly 7 percent of total annual exports to that country. The deficiency is reportedly because of dwindling Soviet foreign exchange reserves.

The MITI decision follows a doubling of fees on trade insurance for exports to the Soviet Union last May. That move met with Soviet dissatisfaction.

Citing the Soviet complaint about the increased trade insurance cost, an official at one trading house said the Soviet Union would refrain from purchasing goods from Japan because the letter of credit requirement would force the Soviets to pay more for importing goods.

"We'll not be able to do business with that country if they say they will import goods from other countries, the official said on condition of anonymity.

According to the Japan Association for Trade With the Soviet Union and Socialist Countries of Europe, a trade group for companies doing business with the Eastern Bloc, Japan's exports to the Soviet Union fell 14.2 percent in the January-April period from a year earlier to 937.73 million dollars.

Soviet Scholar Warns About Selling Territories

*OW1306001090 Tokyo KYODO in English 1451 GMT
12 Jun 90*

[Text] Tokyo, June 12 KYODO—A prominent Soviet Japanologist said Tuesday that the Soviet Union would be ill-advised to exchange four islands claimed by Japan for economic aid. "If we can resolve the (territorial dispute) without receiving one yen it will be better than if we receive money," Konstantin Sarkisov, chief Japanologist at the Moscow Institute of Oriental Studies said in an interview.

A territory-for-aid deal would create "a very negative atmosphere" among Soviet citizens, who would view the deal as the selling off of their country, said Sarkisov, director of the institute's Center for Japanese Studies.

Instead, Sarkisov said it would be better to reach a compromise involving a peace treaty that leads to regional stability.

Japan views the resolution of the dispute over four tiny islands north of Hokkaido as a prerequisite to completing a peace treaty.

Sarkisov said a proposed visit to Japan next year by Soviet President Mikhail Gorbachev would likely lead to "a new formulation of this problem, but perhaps there won't be substantial movement." He estimated that there is a 30-40 percent chance that Gorbachev will not be able to come due to domestic issues.

The Institute of Oriental Studies is one of two Soviet think tanks featuring Japanese studies.

Sarkisov said that to successfully resolve the territorial dispute it will be important to avoid "harming national consciousness," and to ensure that both sides gain something. It is also important to ensure that the solution brings greater security to the Far East in a scheme involving regional demilitarization of the Kurile Islands as well the northern part of Hokkaido. "We must go half way, and the Japanese must go half way too," he said.

Sarkisov, here to attend an academic conference on Korean unification, predicted a solution would be achieved in the midterm or long term—a period he described as 15 years or longer.

DSP on Soviet Aid To Stimulate Islands Talks

*OW1406134190 Tokyo KYODO in English 1249 GMT
14 Jun 90*

[Text] Sapporo, June 14 KYODO—Japan should promise economic assistance to the Soviet Union to stimulate a solution to the territorial dispute with that country, Democratic Socialist Party (DSP) Chairman Hyogo Ouchi said Thursday. The leader of the No. 4 opposition party made the proposal at a press conference while visiting Sapporo to attend his party's Hokkaido chapter convention.

Ouchi said Japan's active promotion of economic aid to the Soviets would speed up the return to Japan of four Soviet-occupied islands east of Hokkaido. The Soviet Union has held Kunashiri, Etorofu, and Shikotan islands, and the Habomai Island group since World War II ended in 1945 despite the Japanese claim.

Ouchi told reporters that the Soviet Union is in an economic quandary and that Japan's expression of readiness to extend economic aid would have significance in the context of altering the course of the dispute. He urged Prime Minister Toshiki Kaifu to spell out the terms for economic assistance to the Soviets in time for the Tokyo visit of Soviet Foreign Minister Eduard Shevardnadze this September.

Ouchi said a hard-line stance separating the territorial issue from economic cooperation will not help solve

issues pending between the two countries. He said efforts should be made to give the Soviets the impression that a restoration of the four islands to Japan will provide immediate dividends. Ouchi said he plans to press his proposal in talks with leaders of the ruling Liberal Democratic Party (LDP) headed by Kaifu next week.

Government To Send Mission to Sakhalin

*OW1506125590 Tokyo KYODO in English 1216 GMT
15 Jun 90*

[Text] Tokyo, June 15 KYODO—Japan will dispatch a government mission to the Soviet island of Sakhalin from June 25 to July 6 to survey Japanese living there since the end of World War II, the Foreign Ministry said Friday.

Spokesman Taizo Watanabe said the six-member mission will explain to the Japanese on Sakhalin measures adopted by the government to facilitate their temporary return to Japan. He said the officials will also meet Soviet authorities on the island, a former Japanese territory to the immediate north of Japan's northernmost main island of Hokkaido.

Some two-thirds of the estimated 380 Japanese on Sakhalin have already visited Japan and gone back to the Soviet island, Watanabe said. Such visits have taken place since the early part of the postwar period and this year 12 Sakhalin Japanese visited between May 28 and June 11, he said.

"If there are some who want to stay back in Japan for good, then we will see what we can do for that objective," he said.

Watanabe said Japanese coming from Sakhalin to Japan usually carry either Soviet or North Korean passports. Some of them, he explained, may have married Soviet or North Korean nationals.

A separate Japanese mission is expected to visit Sakhalin at the end of July or the beginning of August to collect the remains of Japanese soldiers on the island and bring them back to Japan.

MITI on Support for Global Environment Scheme

*OW1306000690 Tokyo KYODO in English 1310 GMT
12 Jun 90*

[Text] Tokyo, June 12 KYODO—The Ministry of International Trade and Industry [MITI] is seeking support from other government agencies to have a global environmental protection scheme put on the agenda at the Houston summit in early July, MITI officials said Tuesday. The officials said discussions are currently under way between MITI and other government agencies to decide whether to present the MITI plan for consideration at the annual meeting of leaders from the seven industrial democracies.

The plan calls for reducing the use and manufacture of chlorofluorocarbons (CFCs) and other ozone-depleting gases over a 100-year period to deal with the so-called Greenhouse Effect, a phenomenon in which such gases, once they escape and reach the upper atmosphere, trap the earth's heat much as greenhouse glass does.

Scientists say the Greenhouse Effect could cause the flooding of entire nations as ocean levels rise, as well as cause potentially catastrophic changes in rainfall and crop harvests.

The officials said MITI hopes to gain support from other major industrial nations for the idea, noting that the upcoming summit provides the best chance to win an endorsement from them. The MITI-drafted scheme received support from U.S. President George Bush and other U.S. officials at an international conference on the global environment held in Washington last April.

But the officials said it is still open to question whether the plan would be accepted favorably at the summit as the question of how fast such ozone-destroying gases should be eliminated has already thrown the United States and European nations into a squabble.

European Community environment ministers agreed last week to fix 1997 as the deadline for stopping the use and manufacture in the EC of such gases and to negotiate with non-EC nations to enforce a total ban on CFCs between 1997 and 2000. But the United States has opposed any plan to phase out such gases so quickly in light of their impact on economic growth as such gases are currently widely used in industrial production.

Kaifu Congratulates Peru's President-Elect

*OW1106065390 Tokyo KYODO in English 0458 GMT
11 Jun 90*

[Text] Tokyo, June 11 KYODO—Prime Minister Toshiki Kaifu Monday congratulated Alberto Fujimori, a Japanese descendant, on his election as President of Peru and wished him success in his pledge to bolster the country's sagging economy.

"I extend my hearty congratulations to the president-elect, chosen by the public," Kaifu said in a prepared statement, as reports confirmed the victory of Fujimori, the first Japanese immigrant to become President of Peru. "I hope the president-elect will summon public will and strive to overcome the mounting difficulties and achieve the economic reconstruction," Kaifu said.

Japan's deputy government spokesman, Nobuo Ishihara, ruled out the possibility of special economic assistance for Peru on the basis of Fujimori's Japanese heritage. Fujimori's late father was from Kumamoto Prefecture in southern Japan. His mother also was Japanese. Fujimori was born in Peru.

"Our Government does not take special measures on the grounds that a Japanese descendant has won (the presidential election)," Ishihara told reporters. But he congratulated Fujimori, who he said has "legitimately reflected" the will of the Peruvian people. In some quarters of Peru, it was thought that the election of Fujimori could mean economic assistance from Japan.

Minister Sees No Change in Policy Toward Peru

*OW1206042990 Tokyo KYODO in English 0221 GMT
12 Jun 90*

[Text] Tokyo, June 12 KYODO—Finance Minister Ryutaro Hashimoto said Tuesday that Japan will not change its financial cooperation policy toward Peru just because the country's president-elect is a Japanese-Peruvian.

Japan will not offer more financial cooperation to a country than to others because the country's president is of Japanese descent, any more than it would cut assistance to a country due to some disagreement, the minister told a press conference after a regular cabinet meeting. "International rules on cooperation for indebted countries have already been established, and Japan's cooperation should follow such rules," Hashimoto said.

South African Emergency Lifting Applauded

*OW0806082890 Tokyo KYODO in English 0603 GMT
8 Jun 90*

[Text] Tokyo, June 8 KYODO—Japan welcomes South African President F.W. de Klerk's partial lifting of the four-year-old state of emergency in South Africa, a Japanese government spokesman said Friday indicating that Japan plans to expand its dialogue with Pretoria.

Foreign Ministry spokesman Taizo Watanabe told reporters that "The decision made yesterday is an important step toward the initiation of substantive negotiations" between the white-dominated Government in Pretoria and representatives of the country's black majority. "The Government of Japan applauds the efforts made by the South African Government," the spokesman said.

Watanabe said Japan intends "to expand dialogue with the South African Government and a wide range of parties concerned, including black leaders, with a view to promoting exchanges between the two countries."

He revealed that Japan expects a visit to Tokyo "late this month" by South African Foreign Ministry Director General N.P. van Heerden. Japan does not maintain formal diplomatic relations with Pretoria, though Van Heerden, the South African Foreign Ministry's top official, visited here last year as well. Japan has also extended an invitation to black leader Nelson Mandela, a key figure in the African National Congress (ANC). Watanabe noted.

Watanabe said that all concerned parties in South Africa should initiate negotiations at the earliest possible date toward the creation of a "nonracial democratic society."

Report Shows Shortcomings in Development Aid

*OW0906103590 Tokyo KYODO in English 0911 GMT
9 Jun 90*

[Text] Tokyo, June 9 KYODO—Japan's overseas development assistance in fiscal 1989, ended on March 31, accomplished its overall goals despite some shortcomings in follow-up service, the Foreign Ministry said in an annual report Saturday. The report evaluated Japanese aid to a total of 145 projects in 48 countries over the year.

The report said there were some instances in which equipment provided by Japan was not utilized effectively due to lack of parts. Vehicles for road construction purchased with Japanese funds were left untouched in Zimbabwe when the government could not afford to buy wheels because of a foreign exchange shortage, the report said. In Thailand, boats offered by Japan for fishery development also remained unused because of lack of parts, it said.

The report also said an Indian Government project to develop its shipbuilding industry was impeded by slow progress in the transfer of Japanese technology.

The report pointed out the necessity of a thorough investigation of projects ahead of any extension of Japanese aid. Overall, the report said, Japanese aid was helping recipient governments to promote their projects.

UN Envoy Calls on Kaifu on Debt Issue

*OW1106154090 Tokyo KYODO in English 1415 GMT
11 Jun 90*

[Text] Tokyo, June 11 Kyodo—United Nations' special envoy Bettino Craxi told Prime Minister Toshiki Kaifu Monday he hopes the upcoming Houston summit meeting of seven advanced nations will adopt "new and effective measures" for relieving Third World debt. Craxi, U.N. Secretary General Javier de Cueller's envoy on international debt, cited debt burden in developing countries and the environment as the two most urgent issues facing the world, a Foreign Ministry official said.

The former Italian premier told Kaifu that he has traveled to many countries seeking answers to the debt issue, the official said. "Each country says it is important to seek a solution in Tokyo," Craxi was quoted as saying.

Kaifu responded that Japan also attaches great importance to relieving the debt crisis. He said each of the leaders attending the July 9-11 economic summit of seven industrialized democracies has expressed concern for this important issue.

"I think our discussions at the summit will make some progress, and I intend to actively join in the discussions," Kaifu was quoted as saying. The seven summit countries are Britain, Canada, France, Italy, Japan, West Germany and the United States.

Low Interest Yen Loans Pledged to Indonesia

*OW1306184190 Tokyo KYODO in English 1414 GMT
13 Jun 90*

[Text] Tokyo, June 13 KYODO—Japan is prepared to extend some 181.5 billion yen in low interest loans to Indonesia for the promotion of that country's economic and social development and stability, Foreign Ministry officials said Wednesday.

Officials said the corresponding figure of 1.2 billion dollars for the current fiscal year was unveiled earlier in the day by Japanese representatives to an international conference of aid-donor countries to Indonesia, which was held in The Hague in the Netherlands. The representatives also announced that the Export-Import Bank of Japan intends to commit an additional 500 million dollars in loans to Indonesia, officials said.

The aid package was initially pledged by Prime Minister Toshiki Kaifu last May when he met with Indonesian President Suharto during a visit to Jakarta. Officials said the figure exactly matches the amount originally requested of Japan by Indonesia.

The aid package should thus serve to alleviate anxiety in Indonesia over unfounded talk of a shift in Japanese aid to Eastern Europe at the expense of developing nations, the officials said.

The loans, which will carry an interest rate of 2.5 percent per annum, are to be repayed over a 30-year period, including a 10-year grace period. Indonesia has been the largest recipient of Japanese official development assistance since 1987. Japan is Indonesia's largest aid benefactor.

Australia's Evans Criticizes Rice Market Policy

*OW0806144990 Tokyo KYODO in English 1230 GMT
8 Jun 90*

[Text] Tokyo, June 8 KYODO—Japan should think more of consumer interests, rather than insist only on its policy of self-sufficiency in rice production, Gareth Evans, visiting Australian minister for foreign affairs and trade, said Friday.

In a speech to the Federation of Economic Organizations (Keidanren), Evans said, "Some degree of flexibility—a willingness to give as well as take—will be required" from every player in the current Uruguay Round of multilateral trade talks, if they are to be completed successfully by December. "Food security should not...be the only consideration that counts," the Australian minister said.

Australia is a member country of the so-called Cairns Group which urges Japan to open its farm market in the negotiation under the General Agreement on Tariffs and Trade (GATT).

Komeito To Relax Rice Liberalization Policy

*OW0906003690 Tokyo KYODO in English 1146 GMT
8 Jun 90*

[Text] Tokyo, June 8 KYODO—The No. 2 opposition party Komeito will relax its traditional policy of objection to any opening of Japan's rice market and propose a partial lifting of the ban on rice imports, party officials said Friday. At a party meeting during the day, Komeito Chairman Koshiro Ishida called for the study of relief measures for farmers when the ban on rice imports is lifted, the officials said.

The party intends to intensify discussions on the matter from next week and the chairman will submit a proposal calling for partial liberalization of rice imports at a party convention slated for November, the officials said.

The two houses of the Diet adopted a resolution against the liberalization of rice imports in 1988 and Komeito will be the first political party to speak for an opening of Japan's rice market. Komeito will discuss a phased liberalization within fixed limits and a new system of rice stocking by the government, the officials said.

Calls for Rice Import Debate

*OW1206081490 Tokyo KYODO in English 1439 GMT
11 Jun 90*

[Text] Tokyo, June 11 KYODO—Komeito, the No. 2 opposition party, Monday broke ranks with mainstream politics over the issue of liberalization of the rice market with a proposal to launch an open debate on whether Japan can afford to shut out rice imports. "It is only natural that we should debate on policy if we claim to be a political party," Yuichi Ichikawa, Komeito secretary-general, said in an address to the party's parliamentary delegation.

Ichikawa said Komeito is still against opening up Japan's rice market but the party should not regard the policy as untouchable. It would appear strange to the outside if all political parties in Japan—from the ruling Liberal Democratic Party to the Communist Party—"say in chorus" that no rice will be allowed into Japan, he said.

Japan is under pressure from the United States to open up its rice market, an issue that is being addressed in the current Uruguay Round of multilateral trade talks.

Ichikawa acknowledged that the no-import policy is backed by a Diet resolution unanimously endorsed by all political parties but argued that no Diet resolution is sacrosanct. A Diet resolution is meant to serve the needs of the people, and not the other way round, he said.

JSP Wins Seat in Fukuoka By-Election

*OW1106065190 Tokyo KYODO in English 0305 GMT
11 Jun 90*

[Text] Fukuoka, June 11 KYODO—Japan Socialist Party [JSP] candidate Shigeko Mieno won Sunday's House of Councilors by-election in Fukuoka Prefecture, according to final returns announced Monday. She won 869,036 votes against 748,317 for Norihiko Sumiyoshi of the ruling Liberal Democratic Party. [LDP]

The JSP, the largest opposition party, now has 73 seats in the 252-seat upper chamber against 110 for the LDP. The LDP lost its overall majority in the Upper House in an election held last July.

The Buddhist-backed Komeito has 21, followed by the Japan Communist Party's 14 seats, Rengo Sangiin's 12, and 10 for the combined forces of Democratic Socialist Party, Sports, and Kokumin Rengo. Sangiin Club, Zeikinto, and independents have four seats each.

The by-election was the first Diet poll since February's general election for the House of Representatives in which the LDP won majority seats. It was called due to the death of the incumbent, Upper House Vice President Akira Ono. He was originally elected to the seat as a JSP member.

Government Panel Adopts Financial Reform Report

*OW1506102690 Tokyo KYODO in English 0838 GMT
15 Jun 90*

[Text] Tokyo, June 15 KYODO—A government advisory panel took a step toward lowering the legal barrier separating the banking and securities businesses Friday by adopting a preliminary report on how to carry out financial reforms.

The report, approved by the Securities and Exchange Council, an advisory body to the finance minister, calls for allowing banks and brokerage houses to enter each others' fields via subsidiaries, and for regulating commercial paper and other securitized assets under the existing law governing securities transactions.

But the report suggests banks should not for the time being be allowed to undertake brokerage services for stock trading by means of their subsidiaries, apparently in response to opposition from small- and medium-sized brokerage houses. It also calls for creating legal measures designed to separate banks and their brokerage units so that individuals in brokerage subsidiaries cannot obtain inside information from those in their parent firms, to prevent unfair trading.

The report came as a result of yearlong studies by two subpanels attached to the advisory group, in which a review of Article 65 of the Securities and Exchange Law has provided a major focus. The article, modeled on the

U.S. Glass-Steagall Act of 1933, has separated the banking and brokerage industries since the end of World War II.

The Securities and Exchange Council will submit the report to Finance Minister Ryutaro Hashimoto next Monday, providing momentum to sweeping financial reforms eyed by the Finance Ministry in response to the ongoing globalization of financial markets.

According to ministry officials, the report will serve, along with a report presented earlier by the Financial System Research Committee, another advisory panel to the finance minister, as the basis for a package of administrative measures to implement such reforms. The ministry reportedly plans to carry out the reforms in April 1993.

Mongolia

Gungaadorj Meets With Soviet Trade Minister

OW1406133790 Ulaanbaatar International Service
in English 0910 GMT 14 Jun 90

[Text] Chairman of the Council of Ministers of Mongolia Gungaadorj has received Soviet Trade Minister Kondrat Terekh, and had a friendly conversation with him. The Soviet minister has taken part in the second meeting of the trade ministers of the socialist countries, underway in the Mongolian capital.

Molomjamts Says Will Obtain Credits From Japan

OW1206121890 Ulaanbaatar International Service
in English 0910 GMT 12 Jun 90

[Text] Mongolia intends to obtain \$50 to 60 million credit from Japan for developing metallurgical industry. This was informed by Mongolian Finance Minister Molomjamts. Credits will be obtained under the conditions of guaranteed recoupment of small and medium size enterprises.

The minister does not rule out the need of obtaining hard currency credits in the future under the implementation of the currently declared open-door economic policy and switching over to a market economy.

Election Commission Head Meets Representatives

OW1006102290 Ulaanbaatar International Service
in English 0910 GMT 9 Jun 90

[Text] Chairman of the Central Territorial Electoral Commission on electing deputies to all levels of people's hural, Gurragechaa, has met with representatives of political parties of Mongolia—the Mongolian Democratic Party, the National Progressive Party, the Free Labor Party, the Mongolian People's Revolutionary Party, and the Social Democratic Party.

Representatives of new political parties have noted that on the pretext of the late majority of district electoral commissions were formed before the official registration of new political parties [as heard], the local authorities attempt not to admit the representatives of new political forces in taking part in the organization of election campaign. They were pointed their formal approach to and of this violation of democratic norms of election campaign procedures [sentence as heard]. There were also noted the imperfection of the Law on Elections and the necessity to provide the leadership of local authorities and district electoral commissions with independent positions.

A representative of the ruling Mongolian People's Revolutionary Party spoke for strengthening the state control over the process of nomination of candidates to deputies. Mr. (Goakchar) has called on all political forces to strictly follow the state laws and refrain from mass measures during the election campaign.

Youth Union Committee Issues Election Appeal

OW1206121990 Ulaanbaatar International Service
in English 0910 GMT 12 Jun 90

[Text] The Executive Committee of the Mongolian Revolutionary Youth Union has addressed an appeal to its members and the entire Mongolian Youth in connection with the forthcoming July general elections. The address says in particular that when representatives of the Mongolian Revolutionary Youth Union are elected deputies to the people's hural of all levels and become members of the parliament, they will first of all draw particular attention to working out the law on youth and other laws corresponding to the interests of the Mongolian youth, changing the educational system, settling the problem of unemployment among the youth, and studying the (?demographic) problem.

Groups Urged To Participate in Elections

OW1006132090 Ulaanbaatar International Service
in English 0910 GMT 2 Jun 90

[Text] The Mongolian Environmental Protection Union and the Executive Committee of the Mongolia (?Customs) Association has called upon their members and (?vital) organizations to take part in the forthcoming July 29th election in the (?single) union with the ruling Mongolian People's Revolutionary Party.

Party To Dismantle Institute of Social Sciences

OW1406134290 Ulaanbaatar International Service
in English 0910 GMT 14 Jun 90

[Text] The Presidium of the Mongolian People's Revolutionary Party [MPRP] Central Committee has decided to dismantle the Institute of Social Sciences at the Mongolian People's Revolutionary Party Central Committee, starting from July 1990. Instead, it has decided to set up a scientific research center on theoretical, practical, and methodological issues of the development and

renewal of the party and its policy. It will be engaged in studying the public opinion and working out recommendations on urgent issues of social, political, and spiritual laws of the Mongolian society and the country's renewal.

Decision on Holidays for Educational System

*OW1206122790 Ulaanbaatar International Service
in English 0910 GMT 12 Jun 90*

[Text] The Council of Ministers of Mongolia has decided to prolong the holiday length of leading staff of the education system of Mongolia and certain groups of teachers. This decision is taken with the aim to implement the government's policy on realization of the country's socioeconomic renewal.

North Korea

Chondaehyop Chairman Demands U.S. Withdrawal

*SK1506103390 Pyongyang KCNA in English
1012 GMT 15 Jun 90*

[Text] Pyongyang June 15 (KCNA)—Song Kap-sok, chairman of the "National Council of Student Representatives" (Chondaehyop), now wanted by the South Korean fascist clique, called a news conference at Hanyang University in Seoul on June 13, at which he expressed resentment at the reopening of the "U.S. Cultural Centre" in Kwangju and vowed to "continue the fight to close" the centre, according to a foreign press report.

He accused U.S. Ambassador to South Korea Gregg of "meddling in South Korean politics" and demanded that Washington immediately recall him.

Saying the "presence of the U.S. forces in South Korea hinders talks on the reunification of the Korean peninsula," he strongly called for the withdrawal of the U.S. forces and nuclear weapons.

That day he released an open letter addressed to Gregg and U.S. Secretary of State James Baker in which he demanded anew that "The United States apologize for its role in the South Korean military's bloody suppression of a civil uprising in Kwangju in 1980."

Disarmament Proposal Necessary 'Without Delay'

*SK1506102690 Pyongyang KCNA in English
1002 GMT 15 Jun 90*

[Text] Pyongyang June 15 (KCNA)—Working people of all strata in the northern half of Korea consider the DPRK's new disarmament proposal to be a clear expression of peaceloving efforts and hold that it should be realised without delay.

The disarmament proposal for peace on the Korean peninsula which was adopted at the May 31 joint meeting of the Central People's Committee, the Standing Committee of the Supreme People's Assembly and the

Administration Council of the Democratic People's Republic of Korea calls for confidence building between the North and the South, arms reduction in the North and the South, withdrawal of foreign armed forces and disarmament and guarantee of peace after that.

Hwang Se-yong, director of a department of the Ministry of Coal Industry, said that the new disarmament proposal advanced at the joint meeting is not only a timely proposal which most correctly reflects the reality of the Korean peninsula and the demand of the times but also a just peace proposal acceptable to anyone who wants peace in the country and its peaceful reunification.

Chong I-kun, a councillor of the Central Committee of the Democratic Front for the Reunification of the Fatherland, said that if our new disarmament proposal is carried into effect, the danger of a new war, a nuclear war will be removed from the Korean peninsula and a great advance be made in promoting national reconciliation and unity.

Noting that the only way of guaranteeing peace on the Korean peninsula at present is to realise our disarmament proposal, Yi Tae-ho, director of a department of the Pyongyang Municipal Administration and Economic Guidance Committee, said that if the United States and the South Korean authorities are truly interested in detente and disarmament, they must show an affirmative response to it at an early date.

Yi Song-chan, an officer of the Korean People's Army, stressed: The South Korean rulers must ponder over our disarmament proposal, sincerely approach it and show an affirmative response to it.

The United States must also come out to the DPRK-U.S. talks or tripartite talks to convert the armistice into a durable peace.

SKNDF Views 'Anti-U.S., Anti-Fascist' Issue

*SK1506043190 Pyongyang KCNA in English
0404 GMT 15 Jun 90*

[Text] Pyongyang June 15 (KCNA)—The Central Committee of the South Korean National Democratic Front [SKNDF] (Hanminjon) called upon the patriotic democratic forces to advance toward a second June resistance for the birth of a new history which will bring about new days of independence, democracy and reunification, according to radio Voice of National Salvation.

"A letter to all the people" published on June 9 on the occasion of the third anniversary of the June resistance said the South Korean people must no longer be hesitant in face of the deplorable reality in which they are bound in chains of the dictatorship of the "sixth republic," ruthlessly robbed of the precious fruit they had gained through the June resistance.

The struggle to smash the pro-U.S. grand conservative coalition seeking a long-term office of the one-party dictatorship of the "Democratic Liberal Party" (DLP)

through a nefarious plot to carry out "a constitutional amendment for a parliamentary cabinet system" is a breakthrough in demolishing the foothold for the perpetuation of the military dictatorship, said the letter.

Our people know full well that the United States is the arch criminal who cooled down the heated June people's resistance with the deceptive "June 29 declaration" and brought back to life the military dictatorship which had been plunged into a crisis by recommending ruling-opposition compromise, the letter said, and stressed:

Our people must orient all the struggle toward terminating the United States' crafty political interference and colonial domination.

We must closely combine the anti-U.S., anti-fascist struggle with the movement for national reunification and more daringly wage them to check and frustrate the criminal "nordpolitik" of the home and foreign separatists and their plot to have "two Koreas" recognized internationally.

Air Exercises in South Described, Denounced

*SK1406102890 Pyongyang KCNA in English
1017 GMT 14 Jun 90*

[Text] Pyongyang June 14 (KCNA)—The U.S. imperialists brought formations of "F-16" fighter-bombers based in the Kadena Base in Okinawa into the Kunsam Airforce Base in South Korea between 12:00 and 15:00 June 10 for an exercise of spotting and striking ground targets and an exercise of firing live cartridges at aerial targets, supported by formations of "F-4" and "F-5" fighter-bombers belonging to the puppet airforce, seeking a war against the North, according to military sources.

They made a fuss, continuously landing formations of "C-130" transport planes carrying aggression forces and combat equipment from overseas bases at their airforce bases in South Korea between 12:00 and 18:00 June 11.

They sent formations of fighter-bombers and assault planes to the sky above Andong, Yongchang, Kangnung, Yongdong and Kongju between 09:00 and 18:00 on the same day for frantic exercises of spotting and "annihilating" targets, firing cartridges at ground targets and dropping live bombs. A total of 250 planes were mobilized in the exercises.

They feverishly staged an exercise for an attack on the North, combined with live shell firing practice with the mobilization of large numbers of "M-1" new-type heavy tanks deployed at the U.S. Second Infantry Division in South Korea from late May, helicopters equipped with new radars and armoured vehicles with "tow" anti-tank guided missiles in cooperation with a combined motorized unit of the South Korean puppet Army.

The South Korean puppets held war exercises against the North combined with ball firing practice with the mobilization of a motorized infantry unit under the "watch" of brasshats of the puppet army from June 12 and staged

a parachuting exercise for "infiltration" into an area similar to the topography of the northern half of Korea with the mobilization of scores of transport planes carrying "commandoes" and special unit troops from June 9.

The frantic war exercises of the U.S. imperialists and the South Korean puppets show that they are indifferent to the relaxation of the tensions on the Korean peninsula.

Japan Moves To Become 'A Military Power'

*SK1506043390 Pyongyang KCNA in English
0410 GMT 15 Jun 90*

[Text] Pyongyang June 15 (KCNA)—Japanese Prime Minister Kaifu recently stated that Japan would adhere to the "defence-oriented stand" and the "three non-nuclear principles" and honor "her promise that she will not become a military power".

Commenting on this NODONG SINMUN today says:

Contrary to what Kaifu said, the Japanese reactionaries are seeking to turn Japan into a military power. They are insidiously trying to reinforce the armed forces, turn the "self-defence forces" into offensive forces, speed up the nuclearization of the Japanese islands and carry out military overseas expansion.

The Japanese Government, the news analyst goes on, intends to increase military spendings 25 percent above the current plan from next year. This is aimed at preparing aggression forces capable of undertaking operations in far-off areas.

The "three non-nuclear principles" promised by the Japanese authorities is also an empty talk.

"Rimpac", "Pacex" and other military exercises staged by Japan together with the United States against our republic and other socialist countries are part of their moves to become a military power for overseas expansion. They are nothing but undisguised war preparations, nuclear war preparations.

The spearhead of such manoeuvres of the Japanese reactionaries are now directed to Korea. They are openly obstructing Korea's reunification, resorting to the "two Koreas" plot, adding fuel to heightened tension on the Korean peninsula and pursuing a hostile policy towards our republic. This bespeaks that Japan is committing dual crimes against the Korean people.

These acts of the Japanese reactionaries will result only in bringing Japan to another disgraceful defeat.

Delegations to USSR From PRC Reported

*SK1306102490 Pyongyang KCNA in English
1007 GMT 13 Jun 90*

[Text] Pyongyang June 13 (KCNA)—A government scientific and technological delegation of the DPRK

headed by Yi Cha-pang, chairman of the State Commission of Science and Technology, left here today for the Soviet Union.

Meanwhile, a delegation of the Chinese People's Association for Friendship with Foreign Countries and the China-Korea Friendship Association headed by Zhang Fengyu, vice-governor of the Jiangsu Provincial People's Government, arrived in Pyongyang on June 12.

Kim Il-song Meets With PRC Delegation

SK1206101990 Pyongyang KCNA in English
1010 GMT 12 Jun 90

[Text] Pyongyang June 12 (KCNA)—The great leader President Kim Il-song today [12 June] received the visiting delegation of the Chinese Supreme People's Procuratorate led by Chief Procurator Liu Fuzhi.

Present on the occasion were Vice-Premier and foreign Minister Kim Yong-nam, procurator general of the Central Procurator's Office Han Sang-kyu and charge d'affaires ad interim of the Chinese Embassy here Chiang Zhengcai.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

The guests presented him with a gift.

Kim Chong-il Given Gift

SK1206212390 Pyongyang KCNA in English
1523 GMT 12 Jun 90

[Text] Pyongyang June 12 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift by the visiting delegation of the Chinese Supreme People's Procuratorate headed by Chief Procurator Liu Fuzhi.

The head of the delegation handed the gift to an official concerned.

Kim Il-song Receives Philippine Delegation

SK1106113090 Pyongyang KCNA in English
1035 GMT 11 Jun 90

[Text] Pyongyang June 11 (KCNA)—The great leader President Kim Il-song today [1 June] received the visiting parliamentary delegation of the Republic of the Philippines led by Jose de Venecia, chairman of the Committee on Foreign Affairs of the Parliament and chairman of the sub-committee on monetary and credit policy.

Present on the occasion were Vice-Premier Kim Tal-hyon and Yi Song-nok, chairman of the committee for the promotion of international trade and deputy to the Supreme People's Assembly.

President Kim Il-song had a conversation with the guests in a cordial and friendly atmosphere.

The head of the delegation handed to him a gift of Corazon Aquino, president of the Republic of the Philippines.

Kim Chong-il Receives Gift From Aquino

SK1106110190 Pyongyang KCNA in English
1054 GMT 11 Jun 90

[Text] Pyongyang June 11 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from Corazon Aquino, president of the Republic of the Philippines.

The gift was handed to an official concerned by Jose de Venecia, chairman of the committee on foreign affairs of the parliament and chairman of the sub-committee on monetary and credit policy, who is head of the visiting Philippine parliamentary delegation.

Kim Il-song Sends Mubarak Documentary Film

SK1306070090 Pyongyang KCNA in English
0533 GMT 13 Jun 90

[Text] Pyongyang June 13 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea sent a gift to Muhammad Husni Mubarak, president of the Arab Republic of Egypt.

The documentary film "Korean Visit of His Excellency Muhammad Husni Mubarak, president of the Arab Republic of Egypt," the gift, was conveyed to the secretary of the presidency of Egypt by Kim Yong-sop, DPRK ambassador to Egypt, on June 10.

Expressing deep thanks to respected President Kim Il-song for the excellent gift he sent to President Muhammad Husni Mubarak, the secretary noted that the president's visit to Korea was of weighty significance.

The warm welcome accorded by the Korean people to President Muhammad Husni Mubarak demonstrated once again the feelings of friendship between the Egyptian and Korean peoples, he stated.

The Egyptian president visited the DPRK in May last.

Talks Held With Visiting Tanzanians

SK1306104290 Pyongyang KCNA in English
1018 GMT 13 Jun 90

[Text] Pyongyang June 13 (KCNA)—Talks were held here today between delegations of the Workers' Party of Korea and the Revolutionary Party of Tanzania.

Present at the talks on our side were Secretary Kim Yong-son and vice-director of a department Kim Chae-pong of the WPK Central Committee, and on the opposite side were the members of the delegation headed by Alfred C. Tandau, member of the Central Committee and secretary of the National Executive Committee of the RPT.

At the talks the two sides informed each other of the activities of their parties and exchanged views on further

developing the friendly and cooperative relations between the two parties and two countries and on a series of matters of common concern.

The talks took place in a friendly atmosphere.

CPRF Denounces No's 'Fascist Clique'

*SK1506045590 Pyongyang KCNA in English
0447 GMT 15 Jun 90*

[Text] Pyongyang June 15 (KCNA)—The secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] in its information no. 570 dated June 13 denounces the No Tae-u fascist clique for harshly suppressing the students and other strata of people who have turned out in the anti-U.S. struggle for independence, anti-dictatorship struggle for democracy on the occasion of the third anniversary of the June people's resistance.

The No Tae-u fascist clique on June 10 drove more than 35,000 police to brutally suppress joint services dedicated to the memory of democratic martyrs and people's rallies for inheriting the spirit of the June people's resistance which were held in Seoul, Kwangju and all other areas of South Korea, fired tear gas at them at random, inflicting heavy wounds on several students and whisked away some 600 students and citizens.

The number of the students and other people arrested in a few days around the third anniversary of the June people's resistance is more than 1,200.

This is a heinous challenge to the unanimous desire of the South Korean people to live in a reunified new society free from outside influences and fascism, carrying into reality the lofty intention of the valiant June resistance fighters, and an unpardonable criminal act to dampen the sentiments of the anti-U.S., anti-"Democratic Liberal Party" struggle which is gaining in scope with each passing day and maintain and prolong the colonial military fascist rule, the information says.

Noting that the No group answered the righteous struggle of patriotic people and students with a bloody suppression at the point of the bayonet, the information brands this as a total denial of the June people's resistance to which it had succumbed, as a full revelation of the dictator's sinister intention to establish a more tyrannical military fascist repressive rule against the people's desire.

June Uprising Anniversary Marked in Pyongyang

*SK1406221790 Pyongyang KCNA in English
1509 GMT 14 Jun 90*

[Text] Pyongyang June 14 (KCNA)—A meeting commemorating the third anniversary of the June uprising of the South Korean people was held here today.

Present there were Yun Ki-pok, secretary of the Central Committee of the Workers' Party of Korea and vice-chairman of the Committee for the Peaceful Reunification of the Fatherland; Yi Kye-paek, chairman of the Central Committee of the Korean Social Democratic Party; Chong Sin-hyok, chairman of the Central Committee of the Chondoist Chongu Party; Yo Yon-ku, Presidium member of the Central Committee of the Democratic Front for the Reunification of the Fatherland; and others.

The June resistance in 1987 was a righteous anti-U.S., anti-fascist popular resistance to put an end to the military fascist dictatorship which had been maintained for nearly 30 years under the patronage of the United States, democratize the society and make it independent and achieve the peaceful reunification of the country.

Participating in the resistance which lasted for 20 odd days were people of all walks of life of South Korea including students, workers, office employees, urban Petty Bourgeoisie and religionists, more than five million all told.

In his report An Pyong-su, director of the secretariat of the Committee for the Peaceful Reunification of the Fatherland, said the June popular resistance left a serious lesson that if the South Korean people are to win the struggle for democracy, they should persistently wage the anti-U.S., anti-fascist struggle, not deceived by the appeasement and hypocrisy of the U.S. imperialists and the fascist clique, till democracy is fully achieved.

Scared by the South Korean people's June resistance, the traitor No Tae-u made public the "June 29 declaration on democracy" and, in the later period, made an unending string of commitments including "election commitments", but none of them have been realised, he said, and continued:

South Korea is now under a more cruel and truculent fascist rule than in the period of the "Yusin" dictatorship and the "Fifth Republic" dictatorship.

The June resistance has not ended and the noble desire of the participants of the resistance should be realised as early as possible, An Pyong-su stressed.

The United States, he urged, must not confine itself to vociferating about "arms reduction" and "improvement of relations" but show it by withdrawing all its aggression forces including the troops and nuclear weapons from South Korea.

All the political parties, groupings and people of all social standings of South Korea should rise up valiantly in the mass patriotic movement for peace and peaceful reunification, wage a vigorous struggle to shatter the self-opinionated "unified channel of dialogue" of the South Korean authorities and carry into effect a broad dialogue between the North and the South and check and frustrate the No Tae-u clique's splittist "northern policy" and moves for "unilateral UN membership".

All the Koreans in the North, the South and overseas should firmly unite under the banner of national reunification, irrespective of ideology, political view, party affiliation and religious belief and implement the five-point policy of national reunification indicated by the great leader President Kim Il-song so as to make the 1990's a historic decade of national reunification, the reporter emphasized.

O Chin-u, Others Praise Kim Il-song

*SK1206053490 Pyongyang KCNA in English
0512 GMT 12 Jun 90*

[Text] Pyongyang June 12 (KCNA)—Meetings to congratulate the great leader Comrade Kim Il-song upon his reelection as president of the Democratic People's Republic of Korea at the first session of the Ninth Supreme People's Assembly and carry through the tasks set forth by him in his historical policy speech have been held in Kangdong County, Pyongyang Municipality, Najin, Tanchon, Manpo, Haean District, Hamhung, Hoeryong and Chollwon Counties, the Komdok mining complex, and other cities, counties (districts) and organs, factories and enterprises, universities and units of the Korean People's Army.

The meetings were addressed by O Chin-u, Yi Chong-ok, Chon Pyong-ho and leading officials of the party, power, administration and economic organs, working people's organisations, central bodies, institutions of science, education, culture and art, public health and the press and workers, peasants, working intellectuals, People's Army soldiers, who are deputies to the SPA and representatives of workers, agricultural working people, scientists, men of culture and youth and students.

The speakers stressed that the reelection of Comrade Kim Il-song as president of the Democratic People's Republic of Korea is a manifestation of unbounded loyalty of the entire Korean people to him and a great auspicious event of the nation which demonstrated to the whole world the indestructible singlehearted unity of our revolutionary ranks.

Noting that the historical policy speech of the great leader is a banner which encourages our party and people to bring about a bright future at an early date, full of new hope and confidence under the banner of socialism, the banner of revolution, they vowed to carry through the militant tasks laid down in the policy speech and thus accelerate the revolutionary cause of chuche and national reunification.

The meetings adopted congratulatory messages to President Kim Il-song or resolutions.

Yi Chong-ok Gives Speech at Komdok Rally

*SK1206130290 Pyongyang Domestic Service in Korean
0900 GMT 10 Jun 90*

[Excerpts] To congratulate the great leader Comrade Kim Il-song on respectfully being elected DPRK president and to thoroughly carry out the tasks set forth in his historic policy speech, a rally of employees of the Komdok mining complex was held on the spot on 9 June. [passage omitted]

The rally was attended by Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice president, and by functionaries concerned with employees of the Komdok mining complex. [passage omitted]

Vice President Yi Chong-ok made a speech at the rally. [passage omitted]

Kye Ung-tae Makes Speech at Nampo Rally

*SK1206130090 Pyongyang Domestic Service in Korean
2300 GMT 6 Jun 90*

[Excerpts] To congratulate the great leader Comrade Kim Il-song on respectfully being elected DPRK president and to thoroughly carry through the tasks set forth by the great leader in his historic policy speech, rallies were held at Taean district in Nampo City, at Hungnyong coal mine, at Chongju locomotive unit, and at Kim Il-song Military University. [passage omitted]

In the rally held at Taean district in Nampo City, Comrade Kye Ung-tae, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and secretary of the party Central Committee made a speech. [passage omitted]

Daily on Role of Main Revolutionary Force

*SK1206150090 Pyongyang KCNA in English
1501 GMT 12 Jun 90*

[Text] Pyongyang June 12 (KCNA)—NODONG SINMUN today [12 June] carried a signed article titled "The Strong Subject of Our Revolution Is the Basic Source of Guaranteeing the Bright Future of Socialism".

The subject of our revolution which is based on the singlehearted unity of the leader, the party and the masses is the strongest and invincible one that remains unchanged even if the time passes and will not shake in any storm and stress, the article stresses, and continues:

Strengthening the subject of the revolution is the fundamental question in the struggle for socialism.

The great leader Comrade Kim Il-song has said:

"Unless they are solidly prepared as the subject of the revolution, the popular masses will be unable to emerge victorious in the struggle for political power; unless the

subject is consolidated steadily, it will be impossible to build a socialist society and bring its advantages into play."

The question on the subject of the revolution is a matter of preparing the main motive force which will push ahead with the socialist construction. Socialism is the cause to be propelled by the popular masses themselves. If the popular masses are to be a true motive power of socialism, they should organizationally and ideologically unite with the party centering on the leader.

Socialism begins with the unity of the leader, the party and the masses to form the subject. It is pushed ahead by the leading action and role of the subject and completed by its inheritance. Strengthening the subject of the revolution is just the way of accelerating the socialist construction dynamically.

The subject of the revolution plays a decisive role in defending socialism and giving full play to its advantages. When tens of millions of the people pool strength under the monolithic leadership of the party and the leader, they can display tremendous strength beyond imagination and resolve whatever problem.

The strong subject of the revolution constitutes an invincible bulwark capable of crushing anti-socialist moves of imperialism and firmly defending the banner of socialism.

It is the cause of the leader to be accomplished by a great leader to strengthen the subject of the revolution and enhance its role. There is the strong subject of the revolution where there is a great leader.

The history of our revolution was a course of victory in which the subject of the revolution was built and has been strengthened for the greatness of the leader and the greatness of the party.

Considering the preparation of the strong subject of the revolution to be a fundamental question in the struggle for socialism, the respected leader Comrade Kim Il-song has solved it successfully and achieved victories one after another. This is his immortal historical feats for our motherland, people and revolution.

The invincible and strong subject of the revolution has been built up in our country under the wise guidance of the party and the leader.

The greatness of the leadership of our party which has strengthened the subject of the revolution is, first of all, that *chuche* has long been established in ideology. The firm and unanimous faith that our leader, our party and our *chuche* idea are great makes the subject of our revolution most solid.

What is important in the leadership of our party centre to solidify the subject of the revolution is that the party building with emphasis on strengthening the party has been brought into practice.

Our party has accomplished the cause of the party building, regarding monolithic idea and leadership as a basic principle and a life and soul.

Through their historical experiences our people deeply trust the Workers' Party of Korea with the faith that it is the supreme political leadership organization which is able to creditably lead the Korean revolution and the destiny of the nation on its own responsibility.

In strengthening the subject of the revolution our party is carrying through the revolutionary mass line and cementing the close bonds of kinship with the masses with the correct policies according to class and stratum.

Our party has consistently exerted great efforts to carry through the traditional mass line and successfully pursued the policies according to class and stratum. The unique and correct policies of our own style towards different classes and strata including the policy towards intellectuals have become a banner of great unity. For the greatness of the party and the leader and for the validity of the party policies the people of all strata have been firmly rallied as a solid subject on the basis of unanimous trust in the party and the leader.

The subject of our revolution which is carried forward on the basis of a great source gives a firm conviction and optimism about the bright future of our socialism. The subject of our revolution guarantees the future of socialism first of all, because it is based on the most justifiable idea and theory which is ceaselessly developed and enriched.

Each of our people takes the *chuche* idea as his ideological mainstay.

The uniformity and consistency of our people in ideology and will is more firmly ensured by the steady deepening and development of the *chuche* idea by our party.

No matter how desperately the imperialists may try to shake the conviction of socialism, they can never cause vacillation among our people who espouse the man-centred idea of our party.

The subject of the revolution guarantees the future of socialism also because the superiority of socialism of our style on which it is based is being inherited.

Our socialism is a unique one which has been built with the *chuche* idea, an idea centering on the popular masses, as the guiding idea, guiding ideal and guiding method. Political, economic and cultural systems and all others were built in our own way with the demand of the people as criterion. There is nothing that copied others mechanically.

As our people have built socialism in accordance with their aspirations and desire, they fully support it and think that they cannot live in happiness apart from the bosom of the party and the leader who lead it.

Because of this faith the unity of the leader, the party and the masses is growing strong as the days go by and the future of our socialism is infinitely bright.

The subject of our revolution firmly guarantees the future of socialism because it is consolidating and developing on the basis of the tradition of unity and cohesion which is being carried forward.

Our party is a resolute defender of the tradition of unity. Our party has given wise guidance in carrying forward the historical experiences of the protracted struggle to achieve the unity and cohesion of the revolutionary ranks.

Nyerere Inspects Joint-Venture Company

SK1306052290 *Pyongyang KCNA in English*
0507 GMT 13 Jun 90

[Text] Pyongyang June 13 (KCNA)—Julius K. Nyerere, chairman of the Revolutionary Party of Tanzania, inspected the district of the Korea-Tanzania agricultural joint-venture company on June 7.

The chairman saw the performance of harvesters, a drying ground, a grain selecting ground and the construction site of a power station and expressed deep satisfaction over it.

At a consultative meeting held that afternoon, the chairman repeatedly expressed thanks to the Korean technicians and builders for having done a lot of work including the land reclamation and rezoning, farming and the construction of a road to the power station in a short period. The Korea-Tanzania agricultural joint-venture is a model of South-South cooperation, he said.

South Korea

Official Views Future of U.S.-North Relations

SK1506021390 *Seoul HANGUK ILBO in Korean*
15 Jun 90 p 2

[Text] It has been learned on 14 June that sooner or later, the United States will take a measure corresponding to North Korea's handing over of the remains last month of five American soldiers killed during the Korean war.

A government official said: "It is my knowledge that the United States plans to take an appropriate measure in return for North Korea's handing over the remains of Americans soldiers killed during the Korean war." Saying that the nature of the measure will be "in the category of something the United States can take unilaterally," the official hinted at the possibility of the United States' easing a considerable portion of the restrictive measures imposed on North Korea.

He went on: "Since the United States does not view the delivery of the remains of the American soldiers as an expression of basic changes in North Korea's attitude, I do not see any possibility of the United States' upgrading

the level of its diplomatic contacts in Beijing as demanded by North Korea or of moving the site of contact to the United States."

Commenting on whether North Korea will sign the nuclear safeguards agreement of the International Atomic Energy Agency [IAEA] or not, the government official said: "I believe U.S.-North Korean relations can rapidly improve if North Korea signs the nuclear safeguards agreement. North Korea has recently informed the IAEA of its plan to send a delegation to the agency in a few weeks to discuss the issue of signing the agreement. Therefore, it is worth keeping an eye on North Korea to see if it keeps its word."

Changing Soviet Views on Korean War Analyzed

SK1406134590 *Seoul CHOSŬN ILBO in Korean*
13 Jun 90 p 2

[Article by Tokyo correspondent Kang Chen-sok]

[Text] General Borkogonov [name as published], director of the Institute of Military History of the Soviet Ministry of Defense, said: "As new historical facts are disclosed, the Soviet Union's official view that the Korean war was caused by northward aggression has changed to the notion that both the North and South were responsible. All I can say at present is that the North's preparations for war far surpassed those of the South when the war broke out." His testimony typifies the Soviet Union's changing view on the Korean war. The Korean war broke out 40 years ago. Almost all the data from the ROK, the United States, and other Western countries have been made public.

Under these circumstances, we cannot help but say that keys to unanswered mysteries on the Korean war can only be found from Soviet data. AERO, a weekly current affairs magazine published by Japan's ASAHI SHIMBUN, extensively gathered news in the Soviet Union, where glasnost (opening of information) is being implemented, in an effort to examine views on the Korean war by Soviet academic and journalist circles.

General Borkogonov authored "Victory and Tragedy—Critical Biography of Stalin" and is planning to edit and publish undisclosed information on the Korean war early next year. He is the highest-level person in charge of studies of war history in the Soviet Union. The first main point of the testimony by General Borkogonov was on whether the "talks between Stalin and Kim Il-song," which were said to be held four months before the Korean war broke out, actually took place or not.

Because of Khrushchev's memoirs, the talks between Stalin and Kim Il-song provided a main key in determining which side provoked the war. In his memoirs, Khrushchev testified: "Kim Il-song provoked the Korean war. Stalin, of course, did not dissuade Kim...." The Soviet Union has not recognized Khrushchev's memoirs, saying that his memoirs are a falsehood.

Bruce Cummings [name as published] and John Holliday [name as published], who are known to be advocates of the revisionist theory on the Korean War, also said in their book entitled "Korean War—Internal War and Interference" that "there is no evidence proving that the Stalin-Kim Il-song talks were held," thus refuting that the talks took place. However, General Borkogonov has confirmed a record stating that "Stalin-Kim Il-song talks were held for about two hours in Moscow in February 1950 and in addition to them, there were four other people at the venue of the talks including Molotov (then vice premier) and interpreter." He added that because of Stalin's distrust—he did not even trust his close associates—which appeared in his latter days, there was no record kept in the Foreign Ministry about their talks. The Soviet press attempted to reverse the Soviet Union's official view regarding Khrushchev's memoirs as falsehood, and a few magazines began to carry the memoirs beginning last year. Smirnov [name as published], chief editor of OGONEK), which is known as a leading reformist magazine and which is carrying the memoirs, said, "the U.S. version of the memoirs is a copy of Khrushchev's record made from excerpts. The original copy is in Moscow." Thus, he expressed the credibility of the memoirs and in particular, of the fact that it was Kim Il-song who provoked the Korean war.

The Government Attempts To Suppress Reappraisal Work

However, it appears that the Soviet Government is attempting to suppress, to a great extent, the intent of Soviet academic and press circles to reappraise the Soviet Union's official view on the Korean war. OGONEK) completed the typesetting to carry the portion on the Stalin-Kim Il-song talks from these memoirs but the publication of this portion was abruptly banned. Moreover, Mikhail Smirnov, the Soviet historian who declared in the Korean language broadcasting in Moscow last April that "Kim Il-song provoked the Korean war," was relegated to a local area.

An official of this broadcasting station merely revealed that "he had some problems and is now staying in a local area. It is impossible to meet him." It was learned that after the broadcast, North Korea made a strong protest. Nevertheless, there are a few indications that the move to reappraise the Korean war will be accelerated within the Soviet Union. In a recent column, NOVOYE VREMYA, a progressive weekly, wrote that "it took 50 years to probe the incident of the massacre behind the curtain. Is it not time to clarify who and why provoked the Korean war at a time when its 40th anniversary is approaching?" thus calling for revealing of intelligence data on the Korean war.

Answering the question, "Did North Korea provoke the war?" Pianponskiy [name as published], deputy editor-in-chief of this magazine, said "So far, It has been the government's view that the imperialists in the South started the war. However, was not the North side's counterattack too swift?" The statement by Banin [name

as published], director of the Korean affairs office in the Soviet Academy of Sciences, reveals the changing Soviet position toward the Korean war. His statement is as follows: Diplomats, soldiers who participated in the war, and the Soviet people who stayed in North Korea said that judging from the situation at that time, it was clearly the North side that started the war. But there is no decisive proof." He added that the document that was made public up to now is only the speech made by Kim Il-song on 27 June that "we are making a counterattack as the South side's army crossed the 38th Parallel and is attacking us." He then noted that "he does not trust this speech."

The Soviet Union Accepted Mao's Proposal

In addition to the Stalin-Kim Il-song talks, General Borkogonov revealed a few facts "from the Soviet standpoint." One of them was testimony about talks between Mao Zedung, who was staying in Moscow from late 1949 to the spring of 1950, and Kim Il-song. The testimony notes: Mao left Moscow around 15 February before Kim visited the Soviet Union. Therefore, the two failed to hold talks. There is the great possibility that Mao was not aware of the precise time of the outbreak of war." Borkogonov added that the Soviet Union was afraid of a full-scale confrontation with the United States. However, Stalin accepted the proposal of Mao Zedung, who contacted Stalin by telephone and telegram from Beijing, to offer direct assistance to North Korea as the South Korean and U.S. Armed Forces approached the Chinese border. General Borkogonov also said that the four Soviet Air Force units made sorties from bases in China and that the Soviet Union and China came to the Armistice talks because they were afraid of the use of atomic bombs by the United States.

AERO revealed that several Soviet magazines are preparing special feature programs commemorating the Korean war. Thus, a Korean Soviet figure gave a tip that big news may break out from these magazines.

Chinese View on PRC Involvement in Korean War

SK1406004190 Seoul THE KOREA TIMES in English
14 Jun 90 p 2

[Text] North Korean leader Kim Il-song held discussions with Soviet leader Joseph Stalin in 1949 on his plans to reunify the Korean peninsula by means of military actions. Stalin later raised the issue when he met China's Mao Zedong in Moscow at the end of 1949. Kim sent a secret emissary to Mao in April 1950 while en route to Pyongyang from Moscow, but his deputy informed the Chinese side only of Kim's decision to reunify the country by military force and did not provide a detailed account of the military strategies to be used.

China first became engaged in the three-year-long Korean War about four months after the outbreak of the war on June 25, 1950 out of Mao's fear that Washington might order the UN troops to March across the Korean-Chinese border following the bold Inchon landing in

September 1950. Mao's decision was neither the product of a long-term strategic consideration nor did it grow out of the Soviet Union's expansionist policy.

These and other facts are advanced in a paper which Zhai Zhihai of China's International Strategic Institute has prepared for a symposium to be held by the Korean War Institute under the sponsorship by the National Unification Board at a Seoul hotel today and tomorrow. Zhai's report is the first Chinese viewpoint concerning the war to be presented here.

China's involvement in the war on the side of North Korea reflected the hostile relations between the Chinese Communist party and the U.S. government at the time. With the hostility deepening as time went on, Mao felt growing fear of the United States. Washington had provided Chiang Kai-shek's nationalist government with over \$200 million during the civil war. Mao's distrust of the United States' intentions remained thereafter, even though the Truman administration adopted a stance of non-intervention in China once the Chinese Communists' victory became clearly visible.

In a speech on "democratic dictatorship by the people" on June 30, 1949, Mao assailed the United States as an imperialist power attempting to put China under its control, and declared that China would side with the Soviet Union in the deepening Cold War. Beijing must not have been fully informed about the launching of the North Korean attack, since it was less prepared to pursue the war in its initial stage than was the United States.

Mao's government, which decided to demobilize 14 million out of total of 51 million soldiers in Mao 1950, began to implement the program into action on June 20, just five days before the outbreak of the war. Only one army unit was then deployed in the border area around the Yalu River.

At Kim's request, the Chinese leaders agreed to dispatch to North Korea Chinese soldiers of Korean descent who belonged to the People's Liberation Army. But the military situation changed with Truman's order to send the U.S. Air Force and Navy to send the U.S. Air Force and Navy to South Korea and to position the Seventh Fleet between mainland China and Taiwan on June 27.

Through the auspices of the Soviet Union and Indonesia at the UN, China tried to have the UN troops stop their northward march at the 38th Parallel, the original line of division. Gen. Douglas MacArthur had succeeded in landing at Inchon on Sept. 16, after which the U.S. Eighth Army had continued to march northward. On Sept. 30, Zhou Enlai strongly warned that China would not overlook the imperialists' invasion of its neighboring country.

After the UN troops' recovery of Seoul, Indian prime minister Jawaharlal Nehru informed China that the U.S., British and French foreign ministers had decided not to allow the troops to go beyond the 38th Parallel. Shortly after the meeting, Nehru again notified China of their

revised agreement to stop the army's progress 40 miles south of the Yalu River in case the troops crossed the parallel.

The change fed the Chinese leaders' mistrust of the U.S. commitment not to undertake attacks on Chinese territory. The Chinese leadership felt that it could not rule out possibility that the U.S. would encroach on their land after its occupation of North Korea. They further believed that a great threat to Chinese industrial sites in northeast would be posed should the U.S. station military forces in the Korean-Chinese border region.

Choe Ho-chung on Policies Toward PRC, North

*SK1506045990 Seoul Domestic Service in Korean
0300 GMT 15 Jun 90*

[Text] Foreign Minister Choe Ho-chung said that he believes Korean-Chinese relations will rapidly advance in the wake of the Asian Games in Beijing.

In a press get-together this morning, Minister Choe Ho-chung said that China seeks Korea's cooperation and support for a successful hosting of the Asian Games in Beijing and that our country had already made known its intention to extend positive cooperation to China. He then said that Korean-Chinese relations will improve in the wake of the Beijing Asian Games.

Explaining that there has been no concrete agreement between the two countries on such issues as exchange of trade missions, Minister Choe said that Mr. Yun Hye-chung, adviser to the Korea Olympic Committee, is now discussing in Beijing with Chinese officials the issue of sending a consular delegation on provisional terms. He is also discussing the issue of establishing diplomatic relations between Korea and China. He is staying in Beijing to fulfill his duty as a permanent resident liaison officer.

Commenting on U.S.-North Korean relations, Minister Choe said that the government's principled stand is not to oppose North Korea's joining in the international community as one of its responsible members through reforms and open-door policy according to the principle spirit of the 7 July declaration. However, he stressed that North Korea's repudiation of the line of reunifying the South through communization, its signing of the nuclear safeguard agreement, and its discontinuation of terrorist acts should be made a precondition for improving relations between North Korea and our allies.

Minister Choe explained: In particular, the government's stand is that North Korea's improving relations with our allies cannot be accepted unless it makes official the repudiation of the line of reunifying the South through communization either by revising the Workers' Party regulations or declaring it before the world.

'Bold' Soviet Gesture Praised, PRC Ties Urged*SK1406015590 Seoul THE KOREA HERALD
in English 14 Jun 90 p 8*

[Editorial: "Lagging Ties With Beijing"]

[Text] The buildup in the relations between Seoul and Beijing has been much slower and creakier than the fast-growing ties with most East European nations. The historic meeting between President No Tae-u and Soviet President Mikhail Gorbachev last week accelerated the pace of the warming process between the Republic of Korea and the Soviet Union.

In spite of a rhetorical smoke screen put up by Moscow to cushion the telling impact of the No-Gorbachev summit on North Korea, normalization of relations between the two countries has now become only a question of time. This is in keeping with the trend of the times and the changing pattern of world politics.

In sharp contrast, however, Communist China appears to be reluctant and stalling in developing broader and more meaningful ties with Seoul for apparent but hardly cogent reasons. As far as its policy toward Korea is concerned, Beijing has failed to keep abreast of the times. China has reportedly informed Seoul of its intention to set up trade offices in each other's capital to handle a limited scope of consular affairs including the issuance of visas. Such a long overdue step is necessary to prepare for the upcoming Asian games to be hosted by China and participated in by South Korea.

The two countries have continued to expand their contacts and exchanges in many spheres of trade, sports and culture. Failure of their bilateral relations to move ahead toward more formal ties has been largely attributable to the hesitant and uncommitted attitude of China. Exchanges with Beijing started earlier than those with Moscow and the former have been larger in scale than the latter. Nevertheless, Seoul-Beijing ties have so far lacked any formal channel of communication to take care of the increasing two-way trade amounting to upwards of \$2 billion a year and also of many related bilateral matters.

The sensitive position of China in dealing with its longtime ally, North Korea, is not beyond our comprehension. But it is no longer the time for the Beijing leadership to keep clinging to its old connection with Pyongyang for fear of further isolating or displeasing its aberrant friend.

The Soviet Union came forward in a bold gesture to boost its evolving relationship with Seoul. There is no reason for China to hold back on its approach to Seoul for more wide-ranging and formal relations, which would serve the mutual interests of the two nations and also the cause of regional liberalization and stability.

No Briefs Retired Statesmen on Summit Results*SK1406014190 Seoul THE KOREA TIMES in English
14 Jun 90 p 2*

[Text] President No Tae-u said yesterday that South Korea is no longer an unimportant country on the margins of the world, but rather a nation taking its proper place at the center of the international stage. "The series of summit talks with the leaders of Japan, the Soviet Union and the United States have proven that South Korea has emerged as a leading country on the Globe," No said. "I could recognize anew the elevated international status of our country through the meetings," No told the assembled retired elder statesmen.

Eight elder statesmen, five of whom are former prime ministers, were invited to a lunch at Chongwadae and received a briefing from President No on his historic summit with Soviet leader Mikhail Gorbachev last week.

No declared, "The era when we had had no choice but to act within the framework unilaterally set by superpowers who have decided the fate of the Korean peninsula as they pleased since the end of the 19th century, has now passed forever." "The superpowers—the Soviet Union as well as the United States and Japan—are obviously important countries to us, but I can affirm that our country also is important to them as well," No said.

He also said that he could take great pride in the fact that the country has become able to take the lead in achieving national unification "according to our own will and in concert with the great reforms which are changing the current world order." No went on, "We now enjoy a golden opportunity to put an end to the four decades of national unhappiness caused by internecine hostility."

Participants in the lunch were former prime ministers: Yu Chang-sun, 73; Kim Sang-hyop, 71; Kim Chong-yol, 74; No Sin-yong, 61; Yi Hyon-che, 62; and Rev. Kang Won-yong, 74; Min Kwan-sik, 73; and Yi Han-pin.

DLP Disappointed by North's Rejection of Talks*SK1406032890 Seoul YONHAP in English 0303 GMT
14 Jun 90*

[Text] Seoul, June 14 (YONHAP)—The ruling party said Thursday that North Korea's rejection of inter-Korean dialogue was "disappointing."

Pak Hui-tae, spokesman for the Democratic Liberal Party (DLP), said North Korea had disappointed South Korea by rejecting all inter-Korean contact and dialogue, and by denouncing the South's bid to establish diplomatic ties with communist nations. A nervous response will be unable to resist the coming global waves of openness and reform, Pak said. He called on Pyongyang to remember the Yi dynasty, whose closed-door policy led to occupation of Korea by Japan early this century.

North Korea said in a telephone message Wednesday that it would not resume inter-Korean talks and blasted

the meeting between President No Tae-u and Soviet President Mikhail Gorbachev in San Francisco.

Shift in Policy on UN Membership Termed 'Wise'

SK1306035090 Seoul THE KOREA TIMES in English
13 Jun 90 p 6

[Editorial: "Shift in UN Policy"]

[Text] The government, reportedly, has decided to shelve a policy to join the United Nations this year, if North Korea refuses to seek a seat at the same time. This indicates a shift in the professed government strategy to enter the world body regardless of the North Korean attitude to admission into the UN.

The Seoul government had long sought UN membership despite the Pyongyang regime's recalcitrant objections to it on the pretext that Seoul's long-standing policy was separate but simultaneous entry into the world forum by two Koreas or Seoul's unilateral entry if Pyongyang persisted with objections to simultaneous admission.

Until recently, the government had been following the strategy of seeking UN membership during the forthcoming fall session of the world body, giving up the efforts to induce the North to change its punchy attitude. The Seoul government, in fact, intended to take advantage of the favorable international situation of detente conducive to Seoul's entry. However, the government seems to have been obliged to reconsider its UN strategy after Pyongyang came out with a queer proposition calling for the two Koreas to share one seat in the United Nations. The new Pyongyang proposal is little different from its previous bid for two Koreas' joint UN entry as the Koryo Confederation, its own title for a unified Korea.

The new North Korean overture was certainly designed to disrupt the Seoul attempt to seek separate UN membership. Yet, it is worth consideration because in it the North virtually recognized the existence of two separate political entities, South and North Korea, on the Korean peninsula for the first time. The Seoul side is justified in rejecting the Pyongyang proposal terming it as unrealistic, on the grounds that the rival governments pursue different state policies, among many other reasons. Coincidentally, however, the North Korean tactics to block the Seoul UN bid have succeeded.

Seoul's latest decision not to press ahead with its unilateral UN entry is reasonably expounded in a different light: The government's UN policy was aggravating the feelings of the North Koreans, driving the Pyongyang regime further into isolation and thus harming prospects for the reunification of the country.

The change in the government policy was signaled when President No Tae-u assured his Soviet counterpart Mikhail Gorbachev during his San Francisco summit that Seoul in no way wished to see the isolation of North

Korea and Cold War confrontation on the Korean peninsula to continue. From a practical point of view, the Seoul bid for sole UN membership stood little chance, despite growing East-West detente and Seoul-Moscow rapprochement. The Soviet Union, one of five Security Council [SC] members having veto power, was likely to soften its policy against Seoul's sole UN entry. But, another SC member, China had apparently never abandoned its support for its old ally North Korea. A recent report had it that Deng Xiaoping had promised Pyongyang to exercise its veto power, if Seoul submitted an application to the UN for membership.

In addition to this, the Pyongyang leadership threatened to take some grave action if Seoul were admitted into the world organ. Apart from this threat of provocation from the North, the Seoul quest for UN membership was certain to infuriate the still hostile North Korean regime, a situation detrimental to a peaceful solution to the Korean question.

In all, the government made a wise decision with regard to the question, in the present situation requiring the resumption of long-suspended inter-Korea dialogue. It is sure to assert that the improvement of relations between Seoul and Moscow and Beijing is closely related with that of the Seoul-North relationship.

North, South Scholars To Attend U.S. Seminar

SK1306022690 Seoul THE KOREA HERALD
in English 13 Jun 90 p 1

[Text] An arms reduction seminar slated for July in the United States is exciting interest as scholars attending from South and North Korea and the United States are expected to partly reflect the perceptions of their governments on disarmament on the Korean Peninsula. The July 5-7 seminar, sponsored by Stanford University's International Strategic Institute in California, will take up the issues of peace and cooperation, security, arms reduction and political confidence-building measures on the peninsula.

Chong Chong-uk, director of Seoul National University's Center for International Studies, professors Ha Yong-son of Seoul National University, Han Sung-chu of Korea University and An Pyong-chun of Yonsei University will represent South Korea at the academic forum.

Song Hyo-kyong, director of North Korea's Institute for Peace and Arms Reduction, will head a three-member delegation to the symposium.

The South Korean professors have been granted permission to contact their counterparts from the North during the seminar, which is practically the first full-fledged discussion of arms reduction on the Korean Peninsula.

The South Koreans have exchanged views on arms reduction issues with officials from the foreign and defense ministries and the National Unification Board in preparation for the seminar, a government source said

yesterday. "The seminar is a meeting among academics, but it could be regarded as the first full-fledged arms reduction discussion in that the participants will inevitably partly reflect the views of the involved governments," the source said on condition of anonymity.

The source said it was notable that the seminar is to open at a time when North Korea is attempting to play up arms reduction talks following a renewed suggestion on disarmament. The seminar was scheduled to take place in March, but was postponed because North Korea pulled out to protest the annual South Korea-U.S. "Team Spirit" military exercise.

USSR Suspends Nuclear Reactor Sales to North

*SK1506125590 Seoul Television Service in Korean
1200 GMT 15 Jun 90*

[Text] [Announcer Yang Hwi-pu] Chong Kun-mo, minister of science and technology, says that the Soviet Union has suspended the sale of four nuclear reactors to North Korea.

Minister Chong is now visiting the United States after attending an executive meeting of the International Atomic Energy Agency. In an interview with reporters in the United States, Minister Chong said that the Soviet Union and Eastern European countries are as worried as the United States and China about North Korea's refusal to sign the nuclear safeguards agreement, and he added that China is also urging North Korea to stop nuclear development.

Kaifu Wants Kanemaru To Visit DPRK 'Soon'

*SK1506110990 Seoul YONHAP in English 1015 GMT
15 Jun 90*

[Text] Tokyo, June 15 (OANA-YONHAP)—Japanese Prime Minister Toshiki Kaifu has hinted that he was willing to offer an apology to North Korea for Japan's past colonial rule of the Korean peninsula if the "right time" comes to mention it on a government-to-government basis. Kaifu made the remarks while answering questions by some opposition lawmakers, including Torao Takazawa of Japan Socialist Party and Eisuke Yamata of Komeito, during a session of the Diet Foreign Affairs Committee Friday.

It is the first time for a Japanese Government official to express a willingness to make a direct apology to North Korea in connection with the past history, though Kaifu indirectly made it in his apology to the "people on the Korean peninsula" when President No Tae-u visited Japan last month.

Asked by Takazawa whether he was regarding the North Korean regime as an illegitimate government, Kaifu said, "I neither thought nor described it (North Korean Government) as an illegitimate government. It is a fact that we are yet to recognize it as a state." However, (we have to admit that) a separate government exists in the

North. The Japanese Government has made it clear that it will contact North Korea without any precondition."

The premier's statement is construed as one of Japan's positive gestures to improve ties with North Korea in its response to the whirlwind of changes in international scenes around the Korean peninsula.

Touching on possible visit to Pyongyang by former Vice Chairman of Japanese ruling Liberal Democratic Party Shin Kanemaru in his bid to advance rapprochement with Pyongyang, Kaifu said, "I hope that his visit, which is to carry on a great meaning in making a breakthrough in the stalled Japan-North Korea relations, will be made as soon as possible." Asked if he would send Kanemaru as his special envoy, in case Kanemaru's visit is realized, he suggested that possibility by saying, "The government will render its utmost support to his visit after examining his personal intention."

Meanwhile, Foreign Minister Taro Nakayama, when asked by Takazawa about chances of having any official contact or establishing diplomatic ties with North Korea, said "possibilities are high enough for opening dialogue on the matters, for instance, if North Korea responds to such offers by the Japanese ambassador to the United Nations."

*** Prospects for Reduction of USFK Discussed**

*902C0198A Seoul TONG-A ILBO in Korean
4 Apr 90 p 5*

[Article by reporter Yuk Song-su: "USFK Reduction and Role Changes Agreed by ROK and U.S. Governments, Ministry of National Defense Reports"]

[Text] The agreement between the U.S. and the ROK Governments concerning the reduction of the USFK [U.S. Forces in Korea], which was disclosed by the Ministry of National Defense [MND] on 4 April, clearly indicates that this issue has taken a big step toward becoming a "realistic issue", rather than a political slogan or one-sided "bargaining chip."

The Ministry of National Defense is conscious of the general public's sensitivity to the size of the USFK reduction, in other words, the number of troops being withdrawn. Therefore, it announced that "this issue does not involve simply a specific number, but rather a starting point in charting a path to carry out the U.S.-ROK defense treaty. Therefore, one should not be particularly sensitive about the number."

However, according to the already disclosed agreement, which includes the closing of three U.S. Air Force bases and withdrawal of 2,000 Air Force personnel and 5,000 non-combat ground personnel, a total of 7,000 armed forces are scheduled to be cut back during the first phase from 1991 to 1993. This reduction, which amounts to 16 percent of the current 43,000 USFK, is significant in size.

This agreement was arrived at as the U.S. Senate adopted the "Nunn-Warner resolution", which indicated a decreased Communist military threat in Europe and an excessive defense expenditure. This resolution directed the U.S. Department of Defense to strategically reevaluate U.S. forces in the East Asian and Pacific region and negotiate ways to share the military burden with U.S. allies and report the results by 1 April.

Progress of Negotiations

De facto negotiations concerning the future of the USFK began in 1985 when the ROK proposed to study issues to improve the U.S.-ROK combined command system during the 17th annual U.S.-ROK security council.

However, this negotiation proceeded at a very specific and fast pace as the "Nunn-Warner resolution" was adopted. The Ministry of National Defense explains that the "Nunn-Warner resolution" is fundamentally different from a unilateral reduction plan in that it presupposes mutual consultation with U.S. allies. The previous U.S. reduction plans such as the "Levin resolution", which proposed a reduction in the USFK from the current level of 43,000 to only 10,000 by a phased withdrawal over a five year period, and the "Bumpers resolution", which proposed reducing the USFK by 10,000 by 1992, would have been implemented by unilateral reduction.

Therefore, the Ministry of National Defense is reported to have undertaken the negotiations with a positive attitude to bring about "a combined defense system led by the ROK military."

The ROK and the United States held a working level meeting in Hawaii last January and held a U.S.-ROK defense ministers' meeting in Seoul on 15 February. Later, the two sides continued negotiations with a four member committee which was composed of the ROK Ministers of Foreign Affairs and National Defense, the U.S. Ambassador to Korea and the U.S. commander of the USFK.

The Meaning of the Force Reduction Decision

The Ministry of National Defense has disclosed that the discussion of the USFK reduction issue starts with the basic recognition of the change in the role of the USFK from a leading to an assisting role concerning ROK defense. Therefore, the discussion did not deal with the issue of a "complete withdrawal."

In other words, it is a common perception of the U.S. and ROK Governments that, unlike in the Soviet Union and Eastern Europe, the strategic situation in Northeast Asia has not changed. Because of this, a Ministry of National Defense official explained that the whole reduction discussion is heading toward the direction of increasing ROK military roles while continuously maintaining a deterrent force and pursuing changes in phases. In consequence, the standing basic perception of the ROK and U.S. Governments is that large-scale USFK

reduction is not desirable until the mid 1990's, when the ROK forces will be able to develop an independent defense strategy against North Korea.

Prospects

Although the United States and the ROK have already agreed to reduce U.S. Air Force personnel by 2,000, the responsible military authorities predict that a reduction of more than 1,500 to 1,700 will be realistically impossible.

The recently agreed 5,000 non-combat personnel reduction plan also strongly demands that complementary measures be devised in order not to hinder the ROK military deterrent force and therefore contains a possibility of change.

In particular, in the fact that the USFK reduction plan is closely related to changes in the political-military situation in Northeast Asia and North Korea, there is a great possibility that this plan will have an impact on changes in the future situation. In addition, other plans are viewed as greatly increasing the role of the ROK military in contributing to a combined defense force system. Those plans are for the transfer of the following responsibilities from the United States to the ROK military: the ground forces command within the U.S.-ROK Combined Forces Command, presently held by the commander of the U.S. 8th Army, to be transferred to a four star ROK general; the executive representative on the Military Ceasefire Commission; and the transfer in two phases of the Peacetime Strategic Control Command.

The ground forces command is currently held by the commander of the U.S. 8th Army and its staff is composed of an equal number of personnel from both countries; however, in the future the number of Korean military on this staff is expected to exceed that of the United States.

Even though the issue of Korean military personnel assuming the position of executive representative on the Military Ceasefire Commission seems to pose no problem as far as the ceasefire agreement is concerned, the situation is regarded as flexible depending on the emotional reaction of the signatory parties to the ceasefire agreement such as North Korea and the PRC.

The examination of the dissolution of the U.S.-ROK Combined Field Operations Command and the ROK's partial sharing of the burden of its national employees' compensation is being made in the context of reducing U.S. defense expenditures.

It is reported that the ROK Government offered approximately 2.6 billion dollars of assistance for the maintenance of the USFK during 1989.

At any rate, the authorities concerned pointed out that U.S.-ROK negotiations concerning the USFK reduction issue should proceed on the premise of "securing of alternate armed forces capability."

Gregg's Remarks to Graduate Students Reported*SK1506035290 Seoul YONHAP in English 0220 GMT
15 Jun 90*

[Text] Seoul, June 15 (OANA-YONHAP)—Donald Gregg, the U.S. ambassador to South Korea, hinted Thursday the United States does not want South Korea to improve relations with Vietnam until Vietnamese forces are entirely removed from Cambodia. Replying to charges that the United States has been checking Korea's moves to improve ties with the communist country, Gregg said it was because of the Vietnamese military presence in Cambodia. The United States would welcome better relations between Korea and Vietnam if Vietnamese troops were withdrawn from Cambodia, Gregg said during a question and answer session after giving a lecture at the graduate school of Seoul's Yonsei University.

Korea has complained that Washington has put the brakes on moves to improve ties with the Indochinese nation, especially in economic and trade fields.

U.S. Assistant Secretary of States Richard Solomon, in a press conference winding up his recent visit to Seoul, warned against moves to improve ties with Vietnam. The remarks were harshly criticized by Korean businessmen, who are actively seeking trade with Hanoi while the Seoul government wants to open diplomatic relations with the communist regime.

The U.S. ambassador hailed the meeting between president No Tae-u and Soviet President Mikhail Gorbachev as a successful diplomatic encounter.

On the controversial Kwangju civil uprising in 1980, Gregg said some Koreans' doubts over the U.S. role in the Kwangju incident came from Washington's nine years of silence. He said the United States regretted the unfortunate incident. Gregg also said the U.S. Cultural Center in Kwangju will remain open to fulfill the citizens' cultural desires despite the militant students' hostile attitude.

The American cultural center in downtown Kwangju, a hotbed of anti-Americanism as many citizens believe the United States was partly to blame for a bloody crack-down on pro-democracy protests in May 1980, reopened Tuesday after being closed in May. It has been assaulted 29 times by radical students and dissidents. The reopening was not welcomed by the radical students, hundreds of whom tried to attack the cultural center at dawn Tuesday with rocks and firebombs.

Gregg's lecture was to be given at Yonsei University, but was moved to a hotel after students blockaded the university gate in protest.

The speech to graduate students was part of the ambassador's recent moves to actively seek dialogue with radical groups in a bid to cool the widespread anti-American sentiment among them. Radical groups claim that the United States, which has operational control of

the Korean Armed Forces, gave tacit consent to the martial law command's mobilization of troops to quell the 10-day protest, which left nearly 200 people dead by official count.

Gregg also said that he was willing to meet with groups such as the National Council for Student Representatives, Korea's largest radical student organization, if the arrangements were cordial and official.

Chonminnyon Proposes Discussion on Kwangju*SK1406013790 Seoul HANGYORE SINMUN in Korean
13 Jun 90 p 2*

[Text] An open questionnaire on U.S. role during the Kwangju resistance was sent to the American Embassy. In the reply letter it said, "The United States did not intervene in the Kwangju incident." In relation to this, on 12 June, the National Democratic Alliance of Korea [Chonminnyon] proposed to hold open discussions on this matter.

In a statement issued on this day, Chonminnyon said, "The United States is avoiding the truth of the Kwangju incident, and with consistent excuses that are unsound logic, they are laying the blame of the Kwangju massacre on the Chon Tu-hwan ring." Chonminnyon also proposed an open discussion on this issue and requested answers to five items including the tacit permission to move the army on 12 December; the entry into Kwangju by the 20th division; and the issue of the jurisdiction of operational control.

On 22 May Chonminnyon had sent an open questionnaire to the American Embassy in relation to the Kwangju issue. The U.S. side sent a reply letter on 31 May. In the letter it revealed that during the 12 December incident or the Kwangju incident, there was no operational control from the U.S. side over the movement of the Korean Army. It said it is regrettable that the Kwangju incident occurred, but the one responsible for this incident is not the United States; it was due to the process of Mr. Chon Tu-hwan trying to usurp power. It also said the claim that the United States is carrying out "interference in internal affairs" toward Korea comes from a flunkeyist conception.

Government To Push for Agreements With USSR*SK1306013090 Seoul THE KOREA HERALD
in English 13 Jun 90 p 1*

[Text] The government will make a strong push for the signing of agreements on investment guarantee and telecommunication with the Soviet Union, while seeking normalization of diplomatic ties. At the same time, the government is planning to host an exhibition featuring Soviet scientific technology in Seoul in the first half of next year.

Meeting with the press, Kim In-ho, assistant economic planning minister for external policy coordination of the Economic Planning Board, said yesterday the Soviet

Union is making preparations for the conclusion of agreements on investment guarantee with Korea. Kim, who returned Monday from a 10-day visit to the Soviet Union, said the government will pursue a barter trade with the Soviet Union as an initial step to minimize possible risks related to trade.

The investment conditions in the Soviet Union are not yet ripe and the Communist country is reportedly suffering around \$1.5 billion-\$2 billion of delayed payments for its imports from foreign countries, he noted. Given this, the government will ask domestic enterprises to make a barter trade with the Soviet Union for the time being, Kim said, adding that local companies could exchange Korean-made consumer goods for Soviet timber, pig iron, non-ferrous metals, and raw chemical materials. The fields of construction, natural resources, tourism and consumer goods are regarded as the most promising sectors for Korea to advance into the Soviet Union, Kim said.

He also said Korea and the Soviet Union agreed in principle to hold a bilateral technology cooperation seminar in Seoul in the coming November. The seminar will provide a great momentum for Korea to introduce advanced technology from the Soviet Union in the sphere of space engineering, life engineering and medical science, the official said.

During his stay in Moscow, Kim met with some 20 high-ranking Soviet officials including Y.M. Kolochkov [as published], vice chairman of the Soviet National Planning Committee, and Ivan D. Ivanov, deputy chairman of the National External Economic Committee.

Seoul Wants Direct Sea Lane With USSR

*SK1306015690 Seoul YONHAP in English 0146 GMT
13 Jun 90*

[Text] Seoul, June 12 (YONHAP)—South Korea will seek negotiations with the Soviet Union to open a direct sea lane this year to handle their soaring volume of two-way trade, a government maritime official said Wednesday. The route will be fixed at the third Korean-Soviet shipping consultative meeting July 16-20, said the official, who wanted to remain anonymous.

To deal with a Soviet demand for beyond rights from Pusan, a port some 320 kilometers southeast of Seoul, Korea is working on counterproposals such as forming a Korean-Soviet joint venture shipping line, the official said. Korean shipping companies oppose beyond rights for Soviet vessels, fearing the Soviets would make inroads into the Korean market share.

"Under the direction that a regular direct sea lane between Pusan and a far eastern Soviet port city such as Vladivostok, Vostochny or Nakhodka be opened at the earliest date, the government is planning to actively seek negotiation with the Soviet Government," he said.

It is the Korean position that Soviet shipping companies cannot have beyond rights because domestic shipping companies would suffer immense damage, but ways of dealing with Soviet demand are being studied in order to advance direct shipping between the two countries.

Hyundai Merchant Marine Co. and Chunkyung Shipping Co. of Korea are the likely partners in the joint venture with the Soviet Far Eastern Shipping Co. (Fesco), he added.

Seoul Eyes Technology Development With Moscow

*SK1306135090 Seoul YONHAP in English 1254 GMT
13 Jun 90*

[Text] Seoul, June 13 (OANA-YONHAP)—South Korea's Trade and Industry Ministry has decided to promote an agreement with the Soviet Union on joint development of technology as part of its effort to activate economic cooperation between the two nations.

Yi Tong-hun, second assistant secretary of the Ministry, said at a meeting with representatives of some economic research institutes affiliated with domestic enterprises Wednesday that the government was willing to seek Soviet cooperation in its bid to develop industrial technology. A government-run research institute on production technology would seek to strike a necessary agreement with a related Soviet partner, Yi said.

The Ministry has examined a list of 100 industrial technologies recently provided by the Soviet authorities concerned and plans to sort out some of them for practical industrial use and cooperative research. According to an analysis by Korean experts, not a few of the listed Soviet technologies proved having potentials for practical use.

Soviets To Supply Technologies Denied by Japan

*SK1406031890 Seoul YONHAP in English 0231 GMT
14 Jun 90*

[Text] Seoul, June 14 (YONHAP)—South Korean businesses can obtain industrial technologies from the Soviet Union that they were denied by the Japanese, Hwang Chong-hyon, a senior economist at the Korea Academy of Industrial Technology (KAIT), said Thursday.

A list of 114 industrial technologies the Soviets are willing to transfer to Korea was handed to his office on May 29, he said. The list comprises 100 technologies for manufacturing the "autoscan—2m" unit for ultrasonic control of welded joints and metal and plastic articles, and 14 ultra-modern technologies, some related with high-energy physics.

Aleksandr Kamenskiy, director of the Department of Scientific and Technical Cooperation with Foreign Countries of the USSR Committee for Science and Technology (GKNT), brought in the list when he attended "USSR Week in Seoul" at the Korea Exhibition Center from May 28-June 5. The list contains

optical fiber technology, the technology of manufacturing the "RIS-85" preparative ultra-centrifuge and other technologies Korean firms were unable to obtain from Japan, Hwang said.

Japan received many technologies from the Soviet Union and commercialized them. If the Japanese refuse to transfer industrial technologies, Korean businesses can now seek them from the Soviet Union or jointly develop them with the Soviets, he said.

According to the Korea Industrial Property Office (KIPO), the Soviet Union has also sent a list of patented technologies for possible utilization by businesses here. This list, given to KIPO by the International Private Economic Council of Korea (IPEC), contains 25 technologies, three of which are registered with the world intellectual property organization's Patent Corporative Treaty (PCT). No Yong-uk, KIPO's planning and management officer, said most of the patented technologies were related to chemical products such as medicines and pesticides. "We are studying if such technologies can be utilized by domestic firms. We will start negotiations with the Soviet side if the result is positive," he said.

Another list of Soviet technologies was sent to the Science and Technology Ministry and the Korea Chamber of Commerce and Industry by Licensintorg, the Soviet industrial property rights corporation. The list contains 686 technologies the Soviet Union may offer to Korea upon request.

Possible Slashes in Fishing Quotas Cause Worry

SK1306051490 Seoul YONHAP in English 0506 GMT 13 Jun 90

[Text] Seoul, June 13 (OANA-YONHAP)—South Korea's deep-sea fishing industry will be dealt a severe blow by a reported deal between the United States and the Soviet Union to slash the quota for Alaskan pollack caught in the Bering Sea to 330,000 tons from 1.5 million tons a year, an official at the Korean Fisheries Administration said Wednesday.

Trawlers from Korea, Japan, China, Poland and the Soviet Union fish the waters of the Bering Strait within an annual combined quota of 1.5 million tons. Korea's 42 trawlers hauled in 300,000 tons of pollack last year, 50 percent of domestic consumption.

U.S. President George Bush and Soviet President Mikhail Gorbachev are rumored to have agreed in their summit to reduce the catch to protect the marine resources and ecosystem in a 200-nautical-mile zone off their coasts, the official said. The agreement is seen as a breach of international law and the United Nations law of the sea as they failed to consult the other countries fishing the area, he said.

Under the accord, which is likely to take effect next year at the earliest, the new quota for Korean trawlers will be 50,000 to 60,000 tons a year, an 80 percent reduction, the official said.

Fisheries administration director Yun Ok-yong visited the United States to discuss the quota early this month, but returned without making any progress.

The United States cut the combined quota of Alaskan pollack for the five countries in its Bering Sea zone to 200,000 tons from 500,000 tons last year, with Korean trawlers having 22,000 tons instead of last year's 140,000 tons, the official said.

System To Control Exports to Communist Nations

SK1306023490 Seoul THE KOREA TIMES in English 13 Jun 90 p 9

[Text] The government will introduce a system of import certificate (IC) and delivery verification (DV) effective July 1 in order to control exports of strategic items to communist countries. The system is in compliance with regulations of the 17-member Coordinating Committee for Exports to Communist Area (Cocom).

Cocom, which was established in 1949, spearheaded by the United States, is restricting exports of 163 strategic items by its 14 member countries and eight associate member countries to the 14 communist nations. The controlled items include 116 general strategic goods, 24 items of nuclear equipment and material and 23 military products. The introduction of the system is in accordance with the exchange of a memorandum on the control of exporting strategic items to communist countries between Korea and the United States in September, 1987.

Korea is neither a member country of Cocom nor an associate member country.

According to the system, business concerns which seek to import strategic items from the countries under the control of Cocom should receive ICs issued by the Trade-Industry Ministry. They are also obliged to submit such ICs to countries concerned for imports of strategic items.

In the meantime, business concerns which import strategic items are required to forward DVs to countries concerned. Customs offices across the country will issue DVs.

If enterprises plan to export strategic items in the process of their imports before they receive DVs, they are obliged to get approval of the Trade-Industry Ministry.

The delivery of ICs to countries where business concerns seek to import strategic items should be made within six months from the date of their issuances.

In case enterprises violate the regulation, their trade licenses will be revoked or suspended for up to one year.

On the other hand, they will be fined up to 10 million won each or their representatives will face maximum three-year jail terms.

The Trade-Industry ministry also plans to issue export licences to business concerns which seek to ship strategic items to communist countries. The issuance of export licences will be decided on in a working-level trade conference between Korea and the United States in September this year, the ministry said. Before the conference, the ministry plans to reduce the number of items under the control of Cocom as trade and economic exchanges between the free and communist world are expanding due to the political and economic developments in communist countries.

No's Special Envoy to East Bloc Dispatched

SK1306022290 Seoul THE KOREA HERALD in English 13 Jun 90 p 3

[Text] The government has dispatched Kim Un-yong, executive member of the International Olympic Committee, to East European countries as a special presidential envoy to discuss ways of promoting bilateral ties with East bloc nations with which Korea established formal diplomatic ties recently.

During his tour of three East European countries through June 23, Kim will explain the situation on the Korean Peninsula in the wake of the recent historic summit talks between President No Tae-u and Soviet President Mikhail Gorbachev and U.S. President George Bush and seek ways of promoting economic, cultural and sports ties with Yugoslavia, Hungary and Poland.

Agreement Reached With Thailand on Flights

SK1306021890 Seoul YONHAP in English 0205 GMT 13 Jun 90

[Text] Seoul, June 13 (YONHAP)—Asiana Airlines of South Korea is likely to begin weekly flights between Seoul and Bangkok this fall as the Korean and Thai Governments reached a tentative agreement Tuesday to allow double tracking on the route, the Transportation Ministry said Wednesday. In two days of aviation talks, the two sides also agreed to gradually increase the number of weekly flights from 14 to 21 by 1992—to 16 this year, 18 in 1991 and 21 in 1992.

Korean Air (KAL) operates 14 flights a week to the Thai capital while Thai Airways International offers 10 flights to Seoul.

The agreements will take effect if they are confirmed at the next round of talks, scheduled for October in Bangkok.

It was also agreed to increase flights using intermediate points from seven to nine. KAL flies to Bangkok via Taipei and Thai Airways flies to Seoul via Hong Kong at present. And it was agreed in principle to open the Korea-Thai service to other airports in the two nations. Points of departure and arrival for the two airlines have been confined to Seoul and Bangkok.

Asiana, Korea's second civil airline, is expected to get the two new flights to the Thai capital and plans to start services at the end of the year, after taking delivery of two B-767s from Boeing Co. of the United States in October, aviation sources said.

Ruling Party To Accept Security Law's Revision

SK1306031090 Seoul YONHAP in English 0245 GMT 13 Jun 90

[Text] Seoul, June 13 (YONHAP)—South Korea's ruling party, reversing its position to match the changing environment surrounding the Korean peninsula, will accept the opposition's long-standing call for rewriting the National Security Law.

During a meeting Tuesday afternoon to discuss preparations for an extra National Assembly session opening June 18, leaders of the Democratic Liberal Party (DLP) agreed to consider revising the law in a "forward-looking manner," a DLP official said Wednesday. The DLP's willingness to revise the nation's harsh weapon against anti-government and dissident figures is linked to changes around the Korean peninsula such as the Seoul-Moscow summit meeting and efforts for easing tensions, said the official, who declined to be identified.

DLP Secretary-General Pak Chun-pyong told reporters Tuesday it was desirable for a bill revising the National Security Law to be passed with the agreement of opposition groups in the upcoming session, or to be postponed until this year's regular assembly session.

The issue will be high on the agenda when President No Tae-u and opposition leader Kim Tae-chung meet Saturday, for the first time since No engineered a merger of his party with two centrist opposition groups in February. The opposition has called for scrapping or amending the law, which governs acts related with North Korea and other communist nations that are defined as "anti-state bodies," but the government has refused on security grounds.

Burma**Information Committee Holds 94th News Conference**

*BK0906112190 Rangoon Domestic Service in Burmese
1330 GMT 8 Jun 90*

[Excerpts] The Information Committee of the State Law and Order Restoration Council [SLORC] held its 94th news conference in the reception hall of the Ministry of Defense at 1300 today with local and foreign journalists. [passage omitted]

At the news conference, the Information Committee explained current rumors in circulation; a report on a youth, Kyaw Kyaw Tun alias Min Thu, who fled from the hands of the BCP [Burma Communist Party]; and foreign media reports on the transfer of 1,000 Myanmar [Burmese] nationals by the Thai authorities to the Myanmar Government.

Explaining first the current rumors, the Information Committee said explanations have been made many times on rumors since the SLORC came to power. [passage omitted] It said currently there have been numerous rumors aimed at public servants. We learned that these rumors are designed to intimidate public servants by saying that when a certain government comes into power a certain person will assume responsibility and the person in such department will be dismissed and imprisoned.

As journalists know, public servants do not serve arbitrarily; they perform their duties according to prescribed public service regulations, regardless of which government comes into power. We would like to ask whether it is fair to intimidate or threaten these personnel performing their duties in their respective roles. The law will not remain indifferent to injustice. The law will continue to exist to protect personnel performing their duties according to law. It is necessary for public servants not to infringe on the law. [passage omitted]

Public servants performing their duties according to law during the period of the SLORC need not be afraid of these rumors. The SLORC will take responsibility for public servants who perform their duties actively according to law. The SLORC, as the journalists well know, is the Defense Services. As members of the Defense Services who are also public servants performing their duties toward the country according to law, they will take full responsibility for public servants like us who actively perform their duties. They should not be frightened or intimidated by any rumor. They should not have any fear whatsoever in performing their respective duties courageously and thoroughly.

Next, the Information Committee explained an additional report on an absconding youth, Kyaw Kyaw Tun alias Min Thu, who fled from the BCP. As reported in the 5 June issue of newspapers, Kyaw Kyaw Tun was brutally tortured after being accused of being a spy by the

BCP and the DPA [Democratic Patriotic Army] Committee. The BCP and the student committee suspected that Kyaw Kyaw Tun alias Min Thu, an absconding student; Diamond alias Zaw Wai; and Ko Ko Lay were spies for the intelligence unit. The BCP Central Committee instructed that they be interrogated and detained at Panghsan prison. It has been reported in the newspapers how they were brutally tortured by BCP members Aung Lwin and Kyaw Htin, son of the late BCP Central Committee member U Maung Maung Sein. [passage omitted] However, as the photographs on these were not fit to be printed, they were not carried by the newspapers. The photographs will now be available for the journalists if they want to study them. We have been able to obtain accurate reports on these brutal acts and objectives of the BCP following the disclosure made to authorities by Maung Maung San and Hla Thu alias Nagani alias Ye Tun, who were members of the student committee formed by the BCP Central Committee. [passage omitted]

The Information Committee next explained recent reports by the VOA, the BBC, and some foreign newspapers that over 1,000 Myanmar citizens who sought refuge in Thailand have been handed back to us. Actually, the Myanmar side has received altogether 766 persons, and it was learned that they were sent back for violating the immigration laws of Thailand. We would like to disclose that these persons are being screened systematically, as is necessary. The 27 reception centers are still open to receive those who want to return from Thailand. We welcome back not only those people but also insurgents based on the border areas near the neighboring country and those who have taken up arms and joined the insurgents, if they give up the path of armed revolt.

The Manpower Resettlement and Utilization Central Board headed by Lieutenant General Chit Swe, member of the SLORC and minister of agriculture and forests, has been formed to resettle these persons. The board was formed on 12 January 1990 with the objective of systematically resettling those who returned to the legal fold after seeing the error of their ways and villagers and families who left their villages because of insurgency. [passage omitted]

In response to a question from U Thitsa Hla Htay, correspondent from Tokyo Broadcasting Service, on the attitude of the SLORC in reference to a BBC evening broadcast of 6 June 1990 on a Western correspondent's interview with National League for Democracy [NLD] spokesman U Kyi Maung at his residence, in which U Kyi Maung said the NLD was preparing for the formation of a civilian government, the Information Committee replied that the SLORC has nothing to comment as it is U Kyi Maung's statement on his position.

In reference to question from UPI correspondent U Chit Tun to elaborate on rumors among public servants, the Information Committee referred to rumors that public servants serving under the current government will be

dismissed; that, for example, action will be taken against judicial officers who have performed their duties; and that letters have been sent to directors general and managing directors threatening to dismiss them. The Information Committee explained that such rumors and threatening letters are designed to intimidate public servants into inaction or make those performing their duties according to public service regulations reluctant to perform their duties and confused. The Defense Services will take responsibility and stand by public servants who perform their duties according to regulations during the term of office of the SLORC. [passage omitted]

In response to the question from TASS correspondent Mr. (Zubek) on the attitude of the SLORC toward the election results, the Information Committee said it had nothing to comment on the matter.

The news conference ended at 1400.

Khun Sa, Anti-Government Shans Strike Alliance

BK1506015790 Bangkok THE NATION in English
15 Jun 90 p 5

[By Yindi Loetcharoenchok in Mae Hong Son]

[Text] Khun Sa's 20,000-men Muang Tai Revolutionary Army [MTRA] has agreed to cooperate with another Shan organization to fight Rangoon and bring about unity in the Shan State. The agreement between the MTRA and the Shan State Progress Party (SSPP) was reached during a meeting on April 23, said Khernsai Jaiyane, a close aide of Khun Sa.

The SSPP, which is allied with 20 other anti-Rangoon ethnic, Burmese dissident, student and monk groups under the name of the Democratic Alliance of Burma [DAB], could not be reached for confirmation. Members of the DAB are strongly against the drug trade, which is the main source of income for Khun Sa and his army.

The two Shan parties agreed to cooperate to achieve three objectives—unity between the two organisations, the unity of the Shan people and working for the benefit of the Shan people, Khernsai, chief liaison officer for Khun Sa, told THE NATION over the weekend. However, they would each go their own way in achieving the goals, he added.

Khernsai said the two groups, however, had not yet agreed on the issue of the Shan State's independence, which Khun Sa has claimed he and his army are fighting for. The various ethnic groups in the DAB agreed in 1987 to live under a "genuine federal union without secession." They had earlier been fighting for their own independent states. Khernsai quoted Khun Sa as saying that the demand for the Shan State's independence was the right of the Shan people, and had been granted to them before Burma's independence from Britain in 1948.

To win over the support of the Shan people, Burma's national hero the late U Aung San promised during his meeting with Shan representatives in Panglong the right for the Shan State to secede 10 years after Burma's independence. The promise was also incorporated in Burma's pre-independence 1947 constitution, said Khernsai, adding that Khun Sa's Muang Tai Revolutionary Army and its political wing Tai Revolutionary Council would continue to fight Rangoon until the Shan State was free from Rangoon. He claimed that the MTRA now had some 20,000 well-armed Shan soldiers. The number had increased from 15,000 after the pro-democracy uprising in 1988, he said.

Khernsai claimed that Khun Sa, who was indicted by Washington on 10 narcotic charges in March, was not directly involved in the narcotic trade but made a living from collecting tax and protection fees from traders, who passed through his territory.

Asked if he saw a possible chance of reconciliation between Rangoon and the MTRA on the independence issue, Khernsai [said] any such move had to be initiated by Rangoon and "the Shan people would consider it." "It is they (Rangoon) who have to make the first move," he said.

Meanwhile, General Bo Mya, president of the Democratic Alliance of Burma, flatly rejected any plan to accept Khun Sa's Tai Revolutionary Council as a DAB member. "The DAB cannot accept Khun Sa's group because we do not consider his party a political group. They are drug runners and his soldiers are only there to protect drug caravans," he said. Bo Mya, leader of the Karen National Union, also refused to meet Khernsai over the weekend. Khernsai told THE NATION that he had a message for the Karen general but did not reveal what he wanted to tell Bo Mya.

The appearance of Khernsai in Manerplaw, the DAB and Karen headquarters opposite Thailand's Mae Sariang district, surprised most of the DAB representatives who had gathered there for a four-day meeting starting last Tuesday. When approached, several of the DAB representatives echoed Bo Mya, saying that Khun Sa's group was not welcome.

Khernsai, when asked about the continued fighting between the MTRA and the United Wa State Party (UWSP), said his chief had already sent six letters to UWSP leader, Chao Yi-Lai, asking for a settlement of the conflict. But the requests had gone unheeded by the UWSP, which was the main force of the now defunct Burma Communist Party, he said. The Wa faction toppled the hardline pro-Chinese communist leaders early last year.

The last clash occurred on May 31 from 7 and to 2 pm around hill 175 east of Mae Kok River opposite Thailand's Chiang Rai province in which three of Khun Sa's men were killed and five wounded, said Khernsai. From a radio interception, the Wa suffered over 60 casualties, he said. Since late last year when the first shots were

exchanged, there have been some 400 casualties including 70 dead from Khun Sa's side and some 700 from the Wa and 400 more reported as missing in action, according to Khernsai. He said the Wa had some 7,000 men under arms and volunteer militia men in every village.

Brunei, Malaysia, & Singapore

Malaysia

Mahathir Warns of Opposition's Bid for Power

BK0906090590 Kuala Lumpur International Service in English 0600 GMT 9 Jun 90

[Text] The prime minister has warned that if the opposition comes to power, there will be chaos and no peace in Malaysia. They will not only rule with an iron fist, but national debts will increase, and there will be an economic recession comparable to the one between 1983 and 1986. Datuk Sri Dr. Mahathir Mohamed made these remarks when opening the Parti Gerakan Rakyat Malaysia [Malaysian People's Movement Party] delegates conference in Kuala Lumpur this morning. He said the opposition's pact is a hodge-podge collection of political opportunists sharing a common bed without even the formality of a political marriage.

Government To Ensure SRV Illegals Leave

BK1506070490 Kuala Lumpur International Service in English 0600 GMT 15 Jun 90

[Text] The government will take certain steps to ensure that no Vietnamese illegal immigrants remain in the country. Foreign Minister Datuk Haji Abu Hassan Omar said Malaysia will continue to urge Vietnam and the United States not to oppose the repatriation of the boat whether it is done voluntarily or otherwise. He pointed out that Malaysia [words indistinct] to 17,726 illegal immigrants who arrived in 279 boats since 1975.

Speaking in Parliament, he said Vietnam should take more effective actions to implement all traditions in the agreement on repatriation of illegal immigrants. Datuk Haji Abu Hassan said the United States only knows how to criticize Malaysia's policy on the boat people but it is unwilling to accept them for resettlement. He said the decision to close Pulau Bidong which currently houses 4,130 Vietnamese illegal immigrants is [word indistinct] based on the comprehensive plan of action adopted by the international conference on Indochinese refugees.

Information Minister Reaffirms Freedom of Press

BK1106092590 Kuala Lumpur International Service in English 0800 GMT 11 Jun 90

[Excerpt] The government has no intention to censor incoming news to Malaysia or intimidate foreign journalists working in the country. Information Minister

Datuk Mohamed Rahmat said there have been criticisms from both foreign and domestic quarters of the government's move to amend the Bernama Act, which provides the national news agency with the sole distributorship rights of all foreign news.

He assured these people that there is no cause for such alarm. The step is motivated by economic considerations. Certain portion of the national news agency is to be privatized. The minister stressed there is no intention of the government to suppress the freedom of the press, which has always been the fundamental aspect of the Malaysian society. He was opening the annual general meeting of the International Press Telecommunications Council, IPTC, in Kuala Lumpur. [passage omitted]

Daily Views Initial Result of Burmese Election

BK0106113990 Kuala Lumpur NEW STRAITS TIMES in English 30 May 90 p 14

[Editorial: No Win for Ne Win's Proteges]

[Text] What's in a name? When the military rulers of Myanmar [Burma] renamed Rangoon Yangon (meaning an "end to strife"), an element of hope that reality would follow the change in nomenclature must have been present. Ever since the army suppressed riotous pro-democracy demonstrations a year and a half ago, it had looked as if the country's rulers considered military strength and victory to be the only viable solution to the country's many problems, no matter how uneasy and tense the consequent quiet may be.

Many foreign observers were skeptical and cynical when the military government decided to hold what it termed to be the first "free and fair, multiparty elections" for the National Assembly in 30 years. The cynicism was prompted by the many restrictions that were imposed on the election campaign: limiting participants at political rallies to 45; screening all speeches in advance; banning any use of the word "dictator" and criticism of the army, Prime Minister General Saw Maung's administration and most government policies; requiring all candidates to obtain military approval before they could run for office. The skepticism about the fairness of the electoral process was compounded by the detention of Aung San Suu Kyi and the barring of her candidacy, and the sentencing of party chairman Tin U to three years hard labour.

The many restrictions may not have been in the free wheeling and dealing spirit of a democratic electoral process, but they have ensured a relatively trouble-free elections. As events turned out, the restrictions did not affect the support of the opposition parties, particularly the National League for Democracy (NLD). While official results will not be completed and available for another two or three weeks, there is a general acceptance that the NLD has registered an overwhelming victory over the pro-military National United Party, the successor to the Burma Socialist Programme Party which held sway over the country between 1962 and 1988.

For the moment, the military is answering doubts about its willingness to relinquish power by saying that the army or Tatmadaw will abide by the new constitution which will be drawn up by the new National Legislature. Of course, considering Myanmar's history, considering the military's seizure of power five times in the past 50 years, there is still a large reservoir of doubts and fears about the unresisting compliance of the military, particularly when the unseen but looming presence of Ne Win still haunts Myanmar.

It will take a long while before a new constitution is drawn up. In the meantime, the NLD will want its party leaders and other political prisoners to be freed. That will involve difficult negotiations with the military who will not be happy to free political opponents who may press for persecution based on allegations of torture and political repression.

At the same time, the new National Legislature will have to decide on relations with the several dissident hill-tribes who have been holding out for full independence for several decades. Recent military successes against them have made them reconsider their positions, and the Karens, the largest of the insurgent hill-tribes, seem prepared now to accept limited autonomy in a Myanmar federation. The army sees this concession as evidence that it is winning the war and may not be agreeable to negotiations.

Then there is the major problem of Myanmar's poverty and its patched-up economy. Vital foreign aid and investment will only start flowing again if the international community is convinced the democratic process is restored and safe in Myanmar. This assurance too, will take a while to develop because even members of the NLD dare not, for the moment, exult in their electoral victory.

The many factors that will contribute to an end to strife in Myanmar are dependent on the military keeping its promises of returning to the barracks, and that may be dependent on the wishes of that aging but still very influential eminence grise [as published], Ne Win.

Singapore

Burmese Opposition's Election Victory Hailed

BK0106090790 Singapore THE STRAITS TIMES
in English 30 May 90 p 28

[Editorial: "Time To Bow Out"]

[Text] The Burmese people have spoken loud and clear no more military rule, or more accurately, misrule. Although the complete official returns will not be in for some time yet, the Government has already conceded defeat to the National League for Democracy (NLD) which seems, on current form, almost certain to capture an overwhelming majority in the National Assembly. And this despite the harassment the party has been subjected to since it was formed during the abortive

1988 revolution, the arrest of hundreds, if not thousands, of its activists and leaders, including its charismatic general-secretary Aung San Suu Kyi and party chairman Tin U, and the very stringent restrictions that made campaigning difficult. That the NLD has still done so well thus speaks volumes.

To give the devil its due, the result is owed partly to the government of General Saw Maung which deserves some credit for allowing the balloting to take place in a relatively free and fair manner and for not engaging in poll rigging, at least in a wholesale manner. This is itself a bit of a surprise and it would be interesting, from an academic point of view, to know why the junta acted as it did. Of course, it may simply have been a case of hubris, the junta thinking that because it had sufficiently muzzled its main opponents it did not need to resort to intimidating voters or stuffing ballot boxes as well. And, very possibly, like most dictatorial regimes everywhere, it also deluded itself into thinking that it was only a handful of malcontents who were causing trouble while the masses at large loved their rulers. But whatever the reasons, what matters now is whether and when the junta will hand over power to the NLD.

Statements by the junta's spokesman since the election sound, on the surface, encouraging. Officials have said that the military will keep its promise to "hand over power to a constitutionally formed government" with no strings attached. The trouble is, the constitution first has to be written—the sole task of the assembly, defined for it before the election. Further, the chief of military intelligence had stated before the poll that a return to civilian rule would not even be considered until the new constitution is ratified—and that could take up to two years. It would not be surprising if the military insists on sticking to that condition, and tries to delay handing over power for as long as possible. Giving up power—and all the perks and privileges that go with it—is never easy and after 30 years, the Burmese military may well find it unbearable.

But after that massive repudiation by the Burmese people, it is clear even to the densest general that the military has lost all moral and political authority to continue in power. If it has any honour and integrity at all, it should step aside as early as can be smoothly arranged and hand over government to the people's chosen representatives. Like military rulers everywhere, the Burmese generals no doubt worry that the civilians will not be up to the job and could ruin the country even further. But while the NLD may be totally unprepared for the enormous tasks it faces, the soldiers who have dragged Burma from relative prosperity to abject poverty through 30 years of mismanagement have absolutely no right to deny the party the mandate it has won. This is not to say the military should immediately return lock, stock and barrel to their barracks. For all their deficiencies, the generals and colonels have the experience of running the government that the civilians utterly lack and will certainly need. The junta will have earned some goodwill of the NLD and the Burmese people for

allowing the clean election. It can build on that—and perhaps win a continuing role for itself in government—if it now works with the party to achieve an orderly and early handover of power. To try and hang on would only make them more hated than ever.

Lee Hsien Loong on Future Collective Leadership

*BK1106114190 Singapore THE STRAITS TIMES
in English 9 Jun 90 p 1*

[Text] The second-generation leaders led by Mr Goh Chok Tong will practise a more collective style of leadership in policy-making and will spend more time in consensus-building, Brigadier-General (Res) [Reservist] Lee Hsien Loong has said.

He said the younger ministers did not have the same stature as Prime Minister Lee Kuan Yew and so must adopt a different style in the formulation of policies.

But he was confident that Mr Goh and his team would be able to take Singaporeans through times of crisis and win the confidence and acceptance of the people.

The Trade and Industry Minister, a key member of the second-generation leadership, made these comments in a wide-ranging interview with three leading Chinese-language newspapers in Taiwan—the United Daily News, China Times and the Independence Morning Post. The transcript of the interview was published yesterday.

In a 90-minute interview, he also discussed the Prime Minister's decision to step down from premiership this year, the role of the Singapore media and the prospect of Singapore-Taiwan ties after the republic establishes relations with Beijing.

BG [Brigadier General] Lee, who is also Second Defence Minister (Services), agreed that Singaporeans could, initially, take a longer time to accept policies proposed by the second-generation leaders.

"But the personal style of First Deputy Prime Minister Goh is very popular with the people. I think we are absolutely confident of ironing out the initial problems after the change-over," he said.

He added: "As for whether the people will have confidence in the new leadership, the crucial test is whether we, in the face of a crisis, can successfully handle it.

"If First Deputy Prime Minister Goh is weak and unable to take pressure, he wouldn't have been Defence Minister, First Deputy Prime Minister all these years. This I have no doubt."

Asked if he anticipated any problems in the transition from a powerful, personal style of leadership to a collective one, BG Lee reiterated that the test would be whether the Government could, when the need arose, make quick decisions that would be followed and accepted by the people.

"Unless we face such a situation, we cannot accurately assess the capability of this government," he said.

Replying to a question on Mr Lee's retirement from premiership, BG Lee said that the Prime Minister, at 67, need not have chosen to step down had he wanted to retain power.

But if Mr Lee did not do so this year, any future political transition might be jeopardised because there might not be enough time to nurture new leaders and to allow the people to get used to a new style of government, even if a capable team could be assembled.

Moreover, since the new leaders could not possibly adopt Mr Lee's style, they would need time to evolve their own, he said.

"With Mr Lee remaining in the Cabinet as a Senior Minister, we can tap his experience... We may not have to follow his advice, but it's useful," he added.

On whether Mr Lee would remain as secretary-general of the ruling People's Action Party, BG Lee clarified that the Prime Minister had never said that he would retain the secretary-generalship after stepping down from premiership.

"What he did say was that if he really wanted to hold on to power, he need not remain as Prime Minister but only had to retain the secretary-generalship," he said.

He added that the question of the position of the secretary-general had not been discussed because it was never a problem.

"The Prime Minister had no intention to hold on to power. No one had forced him to retire in the first place."

Cambodia

Directive Issued on Celebration of Army Day

*BK1406105590 Phnom Penh Domestic Service
in Cambodian 2300 GMT 13 Jun 90*

[Directive of the Central Propaganda and Education Commission on organizing celebration of the 39th anniversary of the army and army-people solidarity day issued in Phnom Penh on 9 June—read by announcer]

[Text] This year, we organize the celebration of the 39th anniversary of the traditional army and army-people solidarity day when the entire party, people, and Armed Forces are actively displaying efforts in implementing the resolutions adopted by the Second National Congress of Cadres and the party Central Committee's 9th and 10th congresses. This is when we have successfully maintained the stability of the military and security situation since the complete withdrawal of Vietnamese volunteer troops from Cambodia. The Cambodian Armed Forces have been able to assume themselves their

duties to enhance the people's confidence in our capability of preventing the return of the genocidal Pol Pot regime, ensuring the promotion of social development, and elevating the State of Cambodia's prestige in the international arena.

As for the three groups of enemies, although facing heavy defeats, they still persist in their strategic maneuvers to topple our fledgling regime. As such, our struggle against the enemies remains tense, complicated, and decisive, in particular when our nation is between fighting and negotiations. By all means, the entire party, people, and Armed Forces need to continue their all-out efforts to ultimately achieve the objective of our revolution.

This year's celebration of the traditional day of the Cambodian People's Armed Forces [CPAF] and the day of solidarity between the army and people should be carried out according to the following aims and requirements:

1. The entire party, people, and Armed Forces should realize the previous renowned victories won by our Armed Forces on the battlefields in the western region of the motherland so they will have firm determination to zealously participate in building up the CPAF according to the fine tradition of the Issarak Army [Cambodian resistance forces against French colonialists in the 1950's]—the forerunner of the CPAF—which was making all kinds of sacrifices for the cause of the nation and the people's interest. At all times, the Armed Forces should be sharpened, loyal to the party, and sufficiently strong in order to ensure Cambodia's genuine political quality and to effectively defend the party, state authorities, social national gains, and the people in all circumstances. The Armed Forces should be also faithful to the close relations of solidarity between Cambodia, Vietnamese, Lao, and the Soviet Union, as well as the fraternal countries throughout the world which have made a great many praiseworthy contributions to the Cambodian revolution.

2. The people should be exhorted to continue denouncing and condemning the traitorous activities committed by the Pol Pot-Ieng Sary-Khieu Samphan clique as well as other reactionary Cambodian forces, which continue their destructive stratagems against the national social achievements scored by the Cambodian people. The people must educate and encourage their matured children to voluntarily implement the law on national defense duties based on promoting the relations of solidarity and unity between the army and the people whose only aim is to fight to defeat all enemies in all circumstances with or without an agreement.

3. The confidence in the party-state policy of cadres, party members, combatants, and people at all levels and sectors should be heightened. Moreover, the people should clearly understand their mastery and roles in fully assuming the task of defending and rebuilding the Cambodian motherland. They should enhance concerted actions, combine measures, and join forces to battle the

enemies in political, military, and diplomatic fields. They should also do this in order to successfully carry out the proselytization movement and the production task with a view to improving the people's living conditions, building up localities, strengthening revolutionary forces in all fields, and promoting the slogan: Everything is for the front line and everything is for developing the people's confidence in the new regime.

Measures for organization and implementation:

1. In Phnom Penh, the Kampuchean United Front for National Construction and Defense National Council shall cooperate with the Ministry of National Defense and Ministry of Information and Culture in organizing a meeting on 19 June 1990. A party and state delegation shall lay wreaths to pay homage to fallen combatants' and Vietnamese volunteer troops' memorials.

2. On 19 June 1990, armed units in villages, communes, districts, provinces, and cities, where corpses of combatants were entombed, shall be organized to clean up and lay wreaths paying tribute at the tombs. Meetings on the significance and spirit of the commemoration shall be organized at services and offices at the central level and in provinces, cities, districts, and wards throughout the country. The Armed Forces shall invite Buddhist monks and party, nucleus groups, and mass organizations representatives, as well as senior citizens and outstanding families and combatants to the meetings that they shall organize in their localities.

The local prominent combatants should be invited to present reports on their courage and the battles in which they have been involved. Representatives of party committees, state authorities, mass organizations, and people should also give an account on their zealous spirit and assistance in building up the Armed Forces. They should discuss the responsibility for leading and building up the Armed Forces in every field, in particular on the Armed Forces' political quality and living conditions. The discussions should also focus on the building up of the genuine revolutionary forces in the past years, especially in the stage where Cambodia had to assume every task for itself. This is to draw out the Armed Forces' weakness and improvement and to use them as lessons in the future.

Military commands' party committees from the battalion unit upward should hold meetings on their responsibilities for building up the Armed Forces to assume every task for themselves and compare them to the results they achieved in the last dry season. They should disseminate the outcome of the meetings to the lower units as well.

3. Party, state, front, and mass organization institutions at the central level and in provinces and cities should assign delegations to visit, send greetings, and present mementos to cadres and combatants on their mission of defending the motherland along the Cambodian-Thai border and to sick and wounded combatants being hospitalized. The delegations should also visit families of

fallen combatants and combatants and workers on their missions, as well as outstanding families.

People should visit and promote the courage of armed units and militia forces in their own localities. This is to enhance the close bonds and cooperation between the people and the army in defending the localities and the people's well being. Besides, the Ministry of Education should instruct services under its auspices to urge students to send greetings welcoming successes achieved by the Armed Forces and to be prepared to participate in effectively carrying out the law on conscription.

4. State institutions, services, and offices in provinces and cities should promote relations of friendship with military regions and divisions. Divisions and regiments stationed along the border should send delegations to pay visit and donate gifts to cadres and combatants on their mission on the front line. Moreover, it is important to review the implementation of the party Central Committee's circular No. 107 on promoting relations of friendship [between the army and people].

5. All levels and sectors should stimulate the emulation movements in order to ultimately achieve success in the coming rainy season. Importantly, from now to September, they should actively and zealously fight the enemies in order to create a position of strength to bring the fighting against the enemies in the 1990-91 dry season to success.

6. Propaganda networks and newspapers should broadcast suitable programs in line with the aforesaid instructions on 17-20 June 1990.

In the wake of the celebration of the glorious traditional day of the CPAF, all institutions in provinces and cities should present reports summing up the situation of the commemoration to the party Central Committee through Central Organization and Education Commission by 30 June 1990.

Slogans:

1. Welcome the 39th anniversary of the traditional CPAF day and the army-people solidarity day.
2. Everything is for the battlefield and everything is for promoting the people's confidence in the new regime.
3. Never will the Cambodian people allow the recurrence of the genocidal regime.
4. Pledge to translate the hatred into concrete actions to build up villages, communes, and the Armed Forces and to intensify the fighting against the enemies to defend the people's well being.
5. The relations of solidarity and friendship between Cambodia, Vietnam, Laos, the Soviet Union, and other fraternal countries will remain forever.
6. Long live the KPRP [Kampuchean People's Revolutionary Party]!
7. Long live the State of Cambodia!

[Dated] Phnom Penh, 9 June 1990

[Signed] Ney Pena, chairman of the Central Propaganda and Education Commission

SPK Says 35 Refugees 'Voluntarily' Return

*BK1406123090 Phnom Penh SPK in French
1105 GMT 14 Jun 90*

[Text] Phnom Penh, 14 Jun (SPK)—On 9 June, 35 Cambodian refugees at the Khao I-Dang camp (Thailand) voluntarily returned to Cambodia with the assistance of the UN High Commission for Refugees (UNHCR).

This was the third voluntary repatriation of refugees from that camp since the beginning of the year.

The Cambodian Red Cross and the National Committee for Refugees have been charged with providing the returnees with facilities to rebuild a new life in their hometowns.

Hun Sen Receives Indonesian Ambassador in Hanoi

*BK1106092390 Phnom Penh SPK in French
0428 GMT 11 Jun 90*

[Text] Phnom Penh, 11 Jun (SPK)—Hun Sen, chairman of the Council of Ministers of the State of Cambodia, during his stopover in Hanoi on his way back from the Tokyo meeting, received on Sunday [10 June] Indonesian Ambassador to Vietnam Aswimarmo.

On this occasion, the Cambodian leader briefed the Indonesian diplomat on the outcome of the meeting in Tokyo, particularly the content of the joint communique issued at the end of the talks, and qualified the meeting as "a full moon troubled by a few clouds." He also talked about his meeting with Japanese Premier Toshiki Kaifu and his request for Japan to continue cooperating with Thailand in order to encourage concerned parties to implement the joint communique.

The six-point joint communique was signed on 5 May in Tokyo without the presence of Khmer Rouge representative Khieu Samphan, who failed in his demand to be a separate party to the negotiations.

The Indonesian diplomat thanked Chairman Hun Sen for his information and appreciated the results of the Cambodian meeting.

Upon his arrival in Hanoi, Chairman Hun Sen was greeted by Japanese Ambassador to Vietnam Kuniaki Asmura.

2 Unidentified Members Assigned To Join SNC

*BK1506065490 (Clandestine) Voice of the Khmer
in Cambodian 0430 GMT 15 Jun 90*

[Text] The secretariat of the Khmer People's National Liberation Front [KPNLF] announced that the front, headed by His Excellency Son Sann, has assigned two personalities to participate in the creation of a supreme

national council [SNC] in compliance with the agreement recently reached in Tokyo, Japan.

The press communique issued by the KPNLF on 15 June said KPNLF President His Excellency Son Sann, who earnestly wants to see an early peace and an end to the Cambodian people's suffering, decided to designate the two personalities to join the SNC following his discussion with members of the KPNLF Executive Committee.

The communique further said that the appointment of the two personalities was made in accordance with the quota agreed upon in response to the Tokyo accord signed by Samdech Norodom Sihanouk on 5 June 1990. The statement, however, indicated that the KPNLF held that the allocation of the SNC membership among the Cambodian parties was unjust and that any unfair settlement would not last long. The KPNLF communique did not disclose the identity of the two assigned personalities.

KPNLF Official Gives Views on Tokyo Meeting

BK1406093390 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 14 Jun 90

[Station correspondent's interview with Ieng Muli, general secretary of the Executive Committee of the Khmer People's National Liberation Front; place and date not given—recorded]

[Text] [Correspondent] I represent the Voice of the Khmer [VOK]. My respects to Ieng Muli, general secretary of the KPNLF [Khmer People's National Liberation Front] Executive Committee. Today, permit me to ask you about the Tokyo meeting. Our VOK has already successively informed our listeners of this meeting. I would like to ask you to tell us about the main aspects of this Tokyo meeting and to assess its outcome. What is your position regarding the search for a solution to the Cambodian problem for Cambodia and the Cambodian people?

[Ieng Muli] First of all allow me to thank the VOK for giving me an opportunity to inform our compatriots of the outcome of the Tokyo talks. I know that our radio has already given account of the meeting procedures, its outcome, and statements by our leaders, especially that of His Excellency [H.E.] KPNLF President Son Sann.

On this occasion, I would like merely to inform our compatriots that the Tokyo meeting took place after our friends, particularly General Chawalit Yongchaiyut, defense minister and deputy prime minister of the Royal Thai Government, had discussions with the leaders of the four Cambodian factions, who agreed on a draft agreement meant essentially to guarantee peace for our country.

In this context, I would like to recall for the information of our compatriots the fact that the four parties—namely, the Phnom Penh party headed by Hun Sen, the KPNLF party, the party of His Royal Highness Samdech

Norodom Sihanouk, and the party of Democratic Kampuchea or the Khmer Rouge—separately agreed with H.E. the Thai defense minister to accept a draft agreement calling, first, for something that is not a supervised cease-fire but something that is called self-restraint use of force and, second, for the reconvening of the Paris international conference to be attended also by the big five countries and a number of other countries in order to seek measures to implement a cease-fire, the verification of the Vietnamese troop withdrawal from Cambodian territory, and the guarantee for our people to have the right and freedom to hold elections in peace.

The third agreement, no less important, is on the formation of a supreme national council [SNC]. In the formation of this SNC, there were two different formulas. The party of Democratic Kampuchea wanted a quadripartite council while the Phnom Penh side wanted a two-party council. However, we agreed to discuss this issue at the Tokyo meeting. Therefore, the Tokyo meeting was convened already on the basis of differences of opinion. Consequently, if the Tokyo talks were to be successful according to the separately signed documents, one had only to gather all these separately signed documents, turn them into a single text, and have the four parties sign it. But when we arrived in Tokyo, the arrangement was only for the delegation of Samdech Norodom Sihanouk and that of Hun Sen of the Phnom Penh party.

The text of the talks in Tokyo was based on the existing accords in Bangkok. However, there were some additional points that our KPNLF side believed to be beneficial to the solution of the Cambodian conflict in our search for genuine peace for the Cambodian people. These additional points included the passage calling for the transformation of the area of the Angkor temples into a zone of true peace in order to enable international scholars and experts to come and help restore our temples which have been neglected since the advent of the war, that is, since the 1970's.

The important addition to the text in Tokyo was the passage stating that the self-restraint use of force shall be implemented on the day when the first meeting of the SNC is convened. In this sense, in the agreement reached during the talks, the two sides agreed to convene the SNC before the end of July 1990. At the same time, we knew that in mid-July 1990, the five permanent members of the UN Security Council would meet again in Paris and hold discussions with the four Cambodian factions to find a solution to the conflict, to take steps to end the war, or to work out formulas to be submitted to the Paris international conference. These are measures we consider important and beneficial to the search for peace in Cambodia.

Concerning the outcome of the Tokyo meeting, I can tell our compatriots right away that it was a success. Why? It is because the two sides agreed to sign a joint communique the details of which is like what I described above. This was a success. But should someone ask me whether the Tokyo meeting was an agreement to create peace, to

bring peace to Cambodia, I would say that that was not the case yet. The Tokyo meeting, however, was a step leading toward peace, or toward agreement to bring peace to Cambodia. This is because two factions alone cannot solve the current Cambodian problem, the current fighting in Cambodia.

In order to really settle the Cambodian problem, to bring genuine peace to Cambodia, it is essential to reconvene the Paris conference. It would also be attended by the big five, countries neighboring Cambodia, and the four Cambodian factions. In order to guarantee this solution, the United Nations should be invited to control and verify the presence of the Vietnamese troops that Vietnam has claimed to be completely withdrawn from Cambodia and that we know have remained hidden among the Heng Samrin forces.

Moreover, in order to have genuine peace, we must disarm all warring parties in Cambodia. To disarm them, we need to bring an international force, especially an international peacekeeping force under the control of the United Nations, into Cambodia to guarantee peace and prevent further hostilities in our country and, first of all, to disarm all soldiers involved in the conflict so as to bring about peace and enable our people to hold elections to freely choose a government and their leaders.

Therefore, the Tokyo meeting has yet to bring peace to Cambodia, but it is a step leading toward genuine peace. Furthermore, the Tokyo meeting was an opportunity to show that the KPNLF side, our noncommunist movement, dared to make decisions and was not concerned with personal interests or the interests of its own group and party. We think only of the interests of the whole nation. For this reason, all our actions and our stance have been taken in order to bring peace to the Cambodian nation and happiness to our people. Therefore, although we were not satisfied with some protocols, or some arrangements in Tokyo, we consented to them, thinking it was a sacrifice in order to bring about a solution and an early peace for our people.

That is my personal opinion of the Tokyo talks.

[Correspondent] Thank you, Mr. General Secretary of the KPNLF. In light of the text of the agreement signed by Samdech Sihanouk in company of H.E. Son Sann, president of the KPNLF, and by Hun Sen of the Heng Samrin regime, can we consider that from now on there is a cease-fire between the Khmer People's National Liberation Army and the forces of the Heng Samrin-Hun Sen regime?

[Ieng Muli] Let me stress that what was signed in Tokyo was a joint communique and not an agreement. The signing was made only between Samdech Norodom Sihanouk and Hun Sen. H.E. President Son Sann did not sign it, for the Tokyo meeting was a meeting between two parties, namely between Samdech Norodom Sihanouk and Hun Sen. But as ones who really want peace and happiness for our people, we also joined the talks and did not oppose any points stated in the joint communique.

Let me clarify that according to the points agreed upon in this joint communique, the cease-fire, or more exactly the self-restraint use of force, will go into effect the day the first meeting of the SNC is convened. In this joint communique, the SNC will be convened no later than the end of July 1990. On our side, however, H.E. President Son Sann repeatedly stated, and before he left for Tokyo he also announced over our radio, that he appealed to all Cambodians to stop killing fellow Cambodians. It is regrettable that some Cambodians, especially those on the Phnom Penh side, not only kill their own Cambodian people, but even hire the Vietnamese to fight and kill their fellow Cambodians.

On this occasion, I appeal once again to all Cambodians to refrain from killing fellow Cambodians. Since there is no true peace yet, there will always be war. Why is the war still going on? It is because there are those who refuse to agree with each other. First, it is not yet certain that the Vietnamese have completely left Cambodia. According to available intelligence, there are Vietnamese concealed inside the Heng Samrin army wearing white badges on their shoulders. Maybe, after hearing this broadcast, they have already changed this insignia. But we know that there are Vietnamese hidden in the Heng Samrin army. So far, no international organization has yet come to inspect, verify, and seek to ascertain whether the Vietnamese troops have really left Cambodian territory.

Moreover, since the Khmer Rouge boycotted the meeting, did not sign the document, and did not make any agreement, we see that the war will not end anytime soon. However, on our side, on the side of the KPNLF, that is, we appeal to all Cambodians to stop killing fellow Cambodians as of today.

[Correspondent] Before concluding, in your opinion, can you tell when might the search for a final solution to the Cambodian problem be fulfilled?

[Ieng Muli] I would like to inform our compatriots and Buddhist monks living in Cambodia that all of us who are fighting now want to liberate our country and restore independence to our motherland. Therefore, so true peace can be realized, it is our wish, first, that an international force be sent to Cambodia to control and verify that all Vietnamese aggressor troops have really left Cambodia. Second, we wish to bring to our country an atmosphere of neutrality permeated with peace and security so our nation can organize elections to choose a governing regime and their leaders according to a liberal democratic system. This is the objective of all of us who are fighting in our capacity as the good sons and daughters of the Cambodian people.

So far, we have already displayed our goodwill wherever possible in this search for peace. The important thing is to know whether Vietnam and Heng Samrin have the same goodwill to let the United Nations control and organize elections so as to allow our people to exercise

their right to self-determination. Fundamentally, all parties hold that it is impossible to solve the Cambodian problem militarily. Everybody knows that if the fighting goes on, the Phnom Penh regime will certainly collapse one day and the Khmer Rouge might seize power through the use of force. For this reason, the world has agreed with us; the general trend is to solve the Cambodian problem peacefully through political means.

We have made many steps so far, especially in Tokyo recently. This is a new factor that can lead toward peace if, once again, the Vietnamese accept the presence of an international force to verify their military presence in Cambodia and to allow the United Nations to set up a peacekeeping force to disarm all armed forces. It can lead to peace if the current ruling regime agrees with us to let the United Nations temporarily take charge of the administration in order to make the organization of general elections in Cambodia possible.

It is my opinion that in mid-July when the five powers meet with the four Cambodian factions, we will find a specific formula to be discussed at the Paris conference. This Paris conference is very important. Two formulas can be chosen in Paris. Either the Tokyo agreement is followed—I would like to point out that the Khmer Rouge were outside the Tokyo agreement and therefore it is not certain that there can be a solution—or a past, proven formula of the big five will be selected. In that case, there might be a success. Then, an international force will be sent to Cambodia. I expect that within 1990 we will be able to solve the Cambodian problem and our Cambodian people will enjoy their long-coveted peace.

Indonesia

Ali Alatas Speaks on Algiers Trip, Cambodia

*BK1406133290 Jakarta Domestic Service
in Indonesian 1200 GMT 14 Jun 90*

[Text] Foreign Minister Ali Alatas urged all parties involved in the process of resolving the Cambodian conflict to allow concessions toward achieving peace in Cambodia.

Speaking to newsmen at Sukarno-Hatta International Airport in Jakarta this afternoon, Minister Alatas said that the agreement reached between Prime Minister Hun Sen and Prince Sihanouk during the Tokyo meeting was due to Prince Sihanouk's nonaggressive attitude toward finding a resolution to the Cambodian conflict.

On the Cambodian refugee problem, Ali Alatas said that in principle, Indonesia will not forcibly repatriate these refugees. As such, he expressed the hope that the United Nations High Commissioner for Refugees (UNHCR) will play a more effective role in resolving the Cambodian refugee problem.

Touching on his visit to Algiers, Minister Ali Alatas said the visit was important in view of the continuous good and stable political relations between the two nations.

He said the time has come to further improve bilateral trade and economic relations.

On the ongoing Uruguay conference on international trade, Indonesia has voiced its concern over the unfavorable outcome of the talks between developed and developing nations. This discrepancy was due to the developed nations making demands on banning the import of [words indistinct] and agricultural products. As such, the Group of 15 leaders had proposed to their developed industrialized nations counterparts to give a mandate to their respective delegates to resolve existing issues during the upcoming 7-8 July meeting in Houston.

Alatas To Discuss Cambodia During PRC Visit

*BK1506010090 Hong Kong AFP in English 2011 GMT
14 Jun 90*

[Text] Jakarta, June 14 (AFP)—Indonesian Foreign Minister Ali Alatas said Thursday [14 June] he would use his upcoming visit to China to finalize the resumption of diplomatic ties and feel out Beijing's position on the Cambodian conflict.

"It will be a good opportunity to hear directly about China's latest position on the development of efforts towards a settlement (in Cambodia)," Mr. Alatas told reporters shortly after returning from a trip to Algiers, Washington and Paris.

He said that although bilateral issues were to be the main topics of discussion during his July visit to Beijing, the Cambodian problem would also be included in talks with his Chinese counterpart Qian Qichen.

Mr. Alatas said that discussion on the development of Cambodian peace efforts was needed for Jakarta to have a "clear understanding" of Beijing's view on the 11-year-old conflict.

Beijing is a major supporter of the Cambodian resistance's largest faction, the Khmer Rouge, and a bitter opponent of Vietnam, which supports the rival government in Phnom Penh.

Indonesia and France co-chaired an international forum on Cambodia called the Paris conference. The first conference ended in September with the Cambodians failing to agree on a power-sharing system.

Indonesia hosted another such meeting in Jakarta in February, but it also failed to achieve concrete results.

Mr. Alatas is scheduled to visit China on July 1-3 to finalize the arrangement for resuming ties, which it froze in 1967 charging Beijing of complicity in a failed communist-backed coup attempt here in 1965.

Mr. Alatas also cautiously greeted the results of the meeting between the leaders of the two warring Cambodian camps in Tokyo earlier this month.

He said the question was whether a document signed by resistance leader Prince Norodom Sihanouk and Phnom Penh's Prime Minister Hun Sen was really agreed to by all Cambodian factions.

"If it is true that it had been agreed upon, then it is a step forward from the (February) talks in Jakarta," Mr. Alatas said.

At the Tokyo meeting, the two Cambodian leaders signed an agreement to implement military "self-restraint" by the end of July and called for a rapid reconvening of the Paris conference.

However, the Khmer Rouge, who had demanded to co-sign the document, were turned down and they have since said they refuse to be bound by an agreement they were "prevented" from signing.

Significance of Diplomatic Ties With China Noted

*BK1306140990 Jakarta MERDEKA in Indonesian
11 Jun 90 p 5*

[Editorial: "Once Again, Diplomatic Relations Between the Republic of Indonesia and the PRC"]

[Text] According to AFP, Chinese Prime Minister Li Peng expressed his optimism over cooperation between the Republic of Indonesia and the PRC during a meeting with M. Yusuf, president of the Asian Organization of Supreme Audit Institutions, in Beijing last Friday [8 June]. Friendly relations between the Republic of Indonesia and the PRC are traditional in nature.

On the same occasion, the Chinese prime minister recalled the history of past relations between the Republic of Indonesia and the PRC. Indonesia was one of the first countries to establish diplomatic relations with China, since 1949. What is the significance of these remarks made by Chinese Prime Minister Li Peng?

Obviously, the PRC has been very eager to normalize diplomatic relations with the Republic of Indonesia, relations which have been frozen since 1967. Over the past 23 years, both countries have been trying to develop mutual understanding and mutual respect.

The PRC has shown a much greater eagerness to normalize diplomatic relations with the Republic of Indonesia in the wake of the recent easing of tension in various parts of the world. At first, it was politically assumed that the Republic of Indonesia's reluctance to accommodate the PRC was due to Indonesia's domestic factor. This domestic factor, which had long been treated as a major consideration, began to disappear after the PRC gave its assurance that it would no longer interfere in Indonesia's domestic affairs. However, economic factors emerged at the same time, and some circles insisted that this was the reason for Indonesia's reluctance. This has often been considered an irritant. Why has the pace of normalizing diplomatic relations between the Republic of Indonesia and the PRC been so slow? The PRC was regarded as Indonesia's economic and trade

competitor prior to the coming of the Pacific era in the 21st century. Is such an assumption logical? Many circles doubt this, because after diplomatic relations are normalized, Indonesia along with the PRC and Vietnam will emerge as newly industrialized countries.

There is another political impact. The normalization of diplomatic relations between the Republic of Indonesia and the PRC will no doubt rapidly contribute to peace and stability in the Asia-Pacific region. We believe that many regional political conflicts will no doubt be settled comprehensively, for example the Cambodian conflict, the reunification of South Korea and North Korea, the Afghan conflict, the Indian-Pakistani conflict over Jammu and Kashmir, and Sino-Indian relations, which have often been stymied by the Tibet issue.

Lately, the Chinese Government's attitude toward Indonesia has been very good. China no longer discredits the Indonesian Government in various international forums. The PRC has even supported Indonesia's foreign policy. For instance, the PRC has consistently supported ASEAN's proposals on the Cambodian conflict for political reasons. The PRC truly knows that Indonesia plays a guiding role within ASEAN.

The PRC was able to maintain self-restraint toward Indonesia at a time when it was criticizing Vietnam. Indonesia maintained very close relations with Vietnam yet China did not criticize Indonesia. Unlike Western countries, Indonesia did not react emotionally to the massacre of students in Beijing's Tiananmen Square.

Indonesia has consistently adhered to the spirit of the Ten Principles of Bandung [adopted at the Afro-Asian Conference in Bandung in 1955]. Indonesia has no intention of interfering in the domestic affairs of another country. The political situation in Asia has become very interesting since the end of the cold war between the Soviet Union and the United States. It has become more interesting because the spirit of friendship and cooperation among various countries is prevailing and the tension has disappeared. A peaceful atmosphere is increasingly felt in various parts of the world. The problem is now economic.

There is an assumption that economic and trade relations with the PRC do not benefit Indonesia because like Indonesia, the PRC needs funds to continue its development program. However, this assumption raises various questions. Why do industrialized countries such as Japan, South Korea, and Western countries continue to maintain economic and trade relations with China? This assumption is wrong because it is based solely on pragmatic views.

Perhaps, all sides must realize that any nation can be said to be strong and have potential if it is stable and cannot be shaken by the winds of corruption blowing at home as well as from abroad. Indeed, the PRC proved this not long ago.

We are confident that the PRC has seen that Indonesia is now very stable and has great potential. Accordingly, it is natural for the PRC to continue to express its desire to cooperate in achieving peace and prosperity for the people in the Asia-Pacific region.

Military Information Service on Clashes in Aceh

*BK1506090590 Jakarta KOMPAS in Indonesian
11 Jun 90 p 1*

[Text] Jakarta, KOMPAS—One member of the GPK [Gerakan Pengacau Keamanan, Terrorist Movement] was shot dead and three others were injured when troops of the Indonesian Armed Forces [ABRI] raided a house in Langsa, East Aceh, on Monday [4 June]. During the operation, the authorities also seized one pistol and one jungle rifle [two preceding words in English].

The ABRI Information Service disclosed this on 8 June, adding that as a sign of good-will, the security authorities had delivered the body of the dead GPK member to his family. However, on their way back, they were ambushed by remnants of the GPK and three ABRI personnel were shot dead.

Philippines

Aquino Favors Joint Use of U.S. Bases 'Now'

*HK1406111990 Quezon City Sports Radio 738
in English 100 GMT 14 Jun 90*

[Text] President Aquino said the proposed joint use arrangement of American military bases in the Philippines is something that can be adopted now. The full report from Tanny Rodriguez:

[Begin recording] In her press statement, the president said such a proposal was made by Defense Secretary Fidel Ramos to U.S. Defense Secretary Richard Cheney during Cheney's visit to the country recently. The chief executive said she is now continuously evaluating the recommendations for the alternative uses of the bases, and at the proper time, this matter will be taken up in the next round of the bases talks between the Philippines and the U.S. panels. The president added that future discussions on the joint use of the U.S. military facilities as well as other alternatives can be expected between the Philippines and the U.S. panels. [end recording]

U.S. Panel Spokesman Comments

*HK1506035190 Quezon City Radyo ng Bayan
in Tagalog 0300 GMT 15 Jun 90*

[Text] President Corazon Aquino stated that she favors the prompt implementation of an agreement between the Philippines and the United States for the use of the Clark and Subic bases by the Armed Forces. Malacanang announced that there was no need for Manila and Washington to wait for conclusion of the bases talks in order to discuss this proposal.

The president's announcement followed a statement by University of the Philippines President Jose Abueva, chairman of the legislative-executive council, on the joint use of the U.S. facilities.

In a related development, U.S. panel spokesman Stanley Shraeger said the issue of joint use of U.S. bases should be discussed in the coming talks. However, this was contrary to the pronouncements of Secretary Raul Manglapus, who said that if President Aquino wants joint use of the U.S. facilities by the two countries even before expiration of the Philippines-U.S. bases agreement, the matter will have to be tackled in separate talks.

Salonga Stresses 'Orderly' Withdrawal of Bases

*HK1506034090 Manila PHILIPPINES NEWSDAY
in English 15 Jun 90 p 3*

[By reporters Jose H. Macaspac III, Ros Manglangit, and Mariquit Almario]

[Text] Senate President Jovito Salonga yesterday junked all proposals that would lead to an extension of the stay of U.S. bases in the country, even as preparations for the second round of negotiations are under way.

Salonga said, "the only thing that is left to be done by the Philippines and the U.S. is to agree to an orderly process of withdrawal" of U.S. troops and facilities. Salonga added that, "given goodwill and understanding on both sides," the withdrawal of the U.S. troops and facilities should start immediately to that when the RP [Republic of the Philippines]-U.S. Military Bases Agreement [MBA] expires in September 1991, the withdrawal and dismantling process shall have been completed.

In his speech during the Independence Day celebrations of the Filipino community in Guam, Salonga stressed that an orderly withdrawal of the U.S. bases has become the only feasible and acceptable option for both the U.S. and the Philippines. "This option is an accord with the prevailing opinion today in the Philippines—namely, sooner or later, the U.S. bases will have to go," Salonga said.

He said: "We have already served the termination notice on the U.S. last March 15 and the only thing that is left to be done is to agree to an orderly process of withdrawal given understanding and good will on both sides."

Salonga said the patronclient relationship between the U.S. and the Philippines which lasted for 92 years should now give way to a healthier and more normal relationship. "This is the right time to start a new partnership based on mutual respect and justice," he said.

Salonga also disclosed that there exists a prevailing sentiment, particularly among U.S. legislators and policymakers, that the U.S. bases would have to be taken out of the Philippines. This view had been taken by members of the U.S. House of Representatives who felt that the Philippines' demand for increased rent for the use of the U.S. bases was "not acceptable."

In the meantime, Salonga said, the Philippine government must now make use of the reverted baselands and develop them into sites for industrial and agricultural enterprises. "These big hectares could now be used to spur Philippine progress," Salonga said.

Meanwhile, President Aquino yesterday said that the evaluation of a just-completed Philippine study on the alternative use of the U.S. bases is continuing and will be presented at the proper time when the formal renegotiations for the treaty commence.

Asked yesterday to comment on the recommendation of the Legislative-Executive Bases Council that the Philippines immediately demand a joint-use arrangement with the U.S. on the military facilities in the U.S. bases here, Mrs Aquino said the arrangement can be adopted anytime. But she did not suggest a Philippine government initiative.

The council, headed by UP [University of the Philippines] President Jose Abueva, has asked President Aquino to stop the unhampered use of the bases here even before the actual negotiations so that the council's proposal for RP-US joint use of the bases facilities may be implemented. The joint-use arrangement was agreed upon in principle during the discussions between Defense Secretary Fidel V. Ramos and US Defense Secretary Richard Cheney during the latter's visit in Manila last February. Although Malacanang has refused to openly admit that it was officially in support of Ramos's joint-use proposal to Cheney, it has not disregarded the stand.

Observers said that the Ramos position represented a well-studied view of the Philippine position, it having been endorsed by the whole military establishment apart from the fact that Ramos himself is the most senior and most experienced among the officials in the Aquino government, especially on security matters.

The council's proposal, however, will not be included as an agenda item in the forthcoming actual bases negotiations but will have to be discussed by both countries in separate talks. This was disclosed yesterday by Foreign Affairs Secretary Raul Manglapus in reaction to the council's proposal to stop the unhampered use of the U.S. bases here. In a press conference, Manglapus said that the council's proposal will not be included in the second round of bases negotiations because both panels have already agreed to concentrate only on the possibility of extending the RP-U.S. MBA beyond 1991. "If the council will be able to convince her (President Aquino) to implement the joint military use of the bases before the negotiations for another treaty, then she can do so. We'll have to ask the U.S. to sit down with us on separate talks because on the next talks we have agreed that we'll only talk on the bases treaty," he said.

In a letter to President Aquino dated May 17, council chairman Abueva urged that the provision in the 1988 MBA providing unhampered use of the U.S. bases be scrapped to provide the council access to the baselands.

KMU Leader Decries 'Conniving' With U.S.

HK1206105990 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 0930 GMT 12 Jun 90

[From "GMA News" program]

[Text] KMU [1 May Movement] Chairman Crispin Beltran declared a people's war against leaders of the country who are reportedly conniving with the United States in exploiting the nation. The KMU held a rally earlier today and tried to approach the U.S. Embassy, but they were stopped by policemen at the corner of Victoria and Burgos Streets.

According to Beltran, the Filipinos enjoy freedom of hunger, debt, and fear.

More than 1,000 workers, students and urban poor took part in the demonstration which started from Bonifacio Plaza. An hour later the demonstrators dispersed peacefully.

Meanwhile, in Angeles City, Pampanga, anti-bases demonstrators tried to march to the gates of Clark Air Base. They were met by a pro-bases group composed of 200 persons who carried truncheons and banners. Members of the Metropolitan District Command were prepared for possible trouble.

Congressional Mission Leaves for North Korea

HK1406124190 Quezon City MALAYA in English 14 Jun 90 p 2

[By Raul Francia]

[Text] A Congressional mission composed of two leading members of the House of Representatives and local business leaders left for North Korea sources said yesterday.

Rep. Jose de Venecia (LDP [Struggle of Philippine Democrats], Pangasinan), chairman of the House committee on foreign affairs, and Rep. Miguel Romero (LDP, Negros Oriental) led the mission which left the country shortly after the adjournment of the their regular session of Congress last week.

De Venecia earlier confirmed the visit to North Korea, a socialist state to which the Philippines still has to establish diplomatic relations. "It will be an exploratory mission," he said adding that "we have to find out if they (North Koreans) are really supporting the NPAs (New People's Army)" citing reports that the local communists are getting support from that country.

De Venecia also said there is nothing wrong with the congressional initiative. "If we can facilitate the membership of the two Koreas in the United Nations, I think it will be fine," he added. "We want to be part of reunifying the two," he also said.

The mission is expected to be back this week.

Sources also said the mission is part of a move in Congress which calls for a review and the subsequent recall of a presidential directive banning Philippine officials from personal contacts with officials of Taiwan. A measure, now pending in the House, also seeks to provide equal protection of Philippine laws to all foreign corporations whose countries of origin have no diplomatic relations with the Philippines.

De Venecia said his committee already agreed to ask President Aquino to review Executive Order 313 with the end view of relaxing what he called "restraint on trade" with Taiwan. The ban was issued in December 1987 after the President's visit to the People's Republic of China. "We reiterate the government's commitment to the one-China policy, and to the principle that Taiwan is an integral part of mainland China," he said adding, however, that the House sees the need to relax existing relations with the two countries.

De Venecia also said there is "strong undercurrent" for the reunification of the two states saying, "We hope to see better relations of the two, and the Philippines can contribute to this process." "We believe there is enough maturity and flexibility in the leaderships of both countries" which will lead to their reunification, he added.

De Venecia said the new House measure made no special reference to Taiwan by accommodating all other states doing business in the country to be accorded equal protection of Philippine laws. He cited foreign nationals from North Korea, South Africa, Albania, Outer Mongolia and other new democratic nations as among those covered by the proposed law.

Vietnamese Boat People Moved to Palawan Camp

HK1506034790 Quezon City Radyo ng Bayan in Tagalog 0300 GMT 15 Jun 90

[Text] Some 255 Vietnamese rescued by a U.S. rescue ship will be taken from Subic to the Palawan first asylum camp today. The government yesterday accepted these refugees following two weeks of deliberations between the authorities.

The refugees arrived in Manila on board six buses yesterday. They were earlier rescued from the seas on different dates.

Aquino Rejects Possible Snap Elections

HK1106090390 Manila Radio Veritas in Tagalog 0800 GMT 11 Jun 90

[Italicized portion in English]

[Text] President Corazon Aquino rejected speculation by Vice President Salvador Laurel that a snap presidential election may be held this year. But she did not give any details about the launching of her movement called Brotherhood tomorrow. She also reacted to a request of a six million pesos fund by the Philippine panel to the U.S. bases talks.

Here is the president's statement as read by Presidential Spokesman Adolfo Azcuna:

[Begin recording] *You can listen to my speech tomorrow. It will answer these questions and set forth what it is that I shall be asking of our people.*

Number two: I am against the advancing of the date of another election fixed by the Constitution. I am for holding the national elections as prescribed by the Constitution, which is on the second Monday of May 1992.

Number three: The proposed initial budget of six million pesos for the bases talks panel appears reasonable. I will be taking this up with the executive secretary and the budget secretary. The venue of the talks will still be the Philippines, which is what I prefer. Protocol may, however, call for some of the discussions to be held in the United States, such as Washington D.C. This has not, however, as yet been discussed. [end recording]

Malacanang Defends Name of Aquino's Movement

HK1506032490 Manila PHILIPPINE DAILY INQUIRER in English 15 Jun 90 pp 1, 10

[By Nimfa U. Rueda]

[Text] Malacanang yesterday said there was no basis to compare the Kabisig [Partnership] movement formed by President Aquino last Tuesday with Kabisig sa Diwa [Partnership in Spirit] of the late former President Marcos.

Press Secretary Tomas Gomez III told newsmen the similarity in name was only a "coincidence." "The name is incidental. The name is not important. What is important is that the substance of the thrust which is really working together," Gomez said.

"How can you compare Marcos and Tita [Aunt] Cory?" he said.

Gomez said there are at least two other movements with a similar name, such as Kabisig sa Turismo [Partnership in Tourism] and the Kabalik na Business ng Inyong Gobyerno [Business Partners of Your Government].

He confirmed that the movement would be used to push for administration measures but denied it would be a move to transform Congress into a rubber-stamp legislature as claimed by some legislators. "It doesn't mean no one can object to the President, because in a democracy there is always open discussion but the moment a decision is made, you have to work together to push forward," Gomez said.

Sen. Wigberto Tanada Wednesday revealed "striking similarities" between the Kabisig movement and a program of the same name launched by Ferdinand Marcos in 1985. Tanada distributed copies of a Letter of Instructions issued by Marcos on Dec. 18, 1985, in which he officially launched a program called Kabisig sa Diwang

Pilipino [Partnership in Philippine Spirit] aimed at pushing the Marcos bureaucracy, encouraging people's participation in government programs and propagating a "spiritual, humanist and nationalist" ideology.

Marcos was ousted shortly after he launched his Kabisig movement in Lipa City.

Tanada said the use of the same term and concept by Ms Aquino "may be pure coincidence," but added the President's movement "must seriously address, with its avowed nationalism ethos, the most challenging and crucial issues of the day."

In her speech during the launching of the movement Tuesday, Ms Aquino said the term Kabisig was reminiscent of the 1986 EDSA [Epifanio de los Santos Avenue] revolt during which people linked arms to stop tanks and troops from proceeding to Camps Aguinaldo and Crame.

In a written reply to newsmen's question about Kabisig, President Aquino said: "The Kabisig movement I launched is an appeal for support of programs and projects to deliver basic services to our people. It calls for a democratic sharing of national endeavors, freely given out of a common appreciation of the necessity and wisdom of the measures involved."

Malacanang earlier said the core group of Kabisig will report on the movement's structure, specific goals and programs of action during the cabinet meeting next week.

Meanwhile, Foreign Secretary Raul Manglapus said yesterday he would support Ms. Aquino in the event she makes known her bid to run for another term in 1992.

Manglapus, who also heads the National Union of Christian Democrats, said the NUSP [expansion unknown] supported Ms. Aquino's new political movement. Manglapus said Kabisig was not a political party but a move of some cabinet members to unite the energies of government and the private sector. Asked whether he will join Kabisig, Manglapus said: "I'm in it already."

Local Government Secretary Luis Santos appealed to the public to "give Kabisig a chance" and said that the executive departments "are very enthusiastic" about the movement.

LDP Members Warned Against Joining Kabisig

HK1506035090 Manila PHILIPPINE DAILY GLOBE in English 15 Jun 90 pp 1, 7

[By staff writers Miguel C. Genovea and David Jude Sta. Ana with a report by Ceferino Acosta III]

[Text] Speaker Ramon Mitra Jr. has called up from the United States to warn members of the ruling Laban ng Demokratikong Pilipino (LDP) [Struggle of Philippine Democrats] against allowing themselves to be persuaded into joining President Aquino's newly formed Kabisig [Partnership] movement. Mitra is cutting short his

planned one-month stay in the U.S. and is now hurrying home to prevent any attempt by Malacanang to recruit Kabisig members from the ranks of the LDP, according to Rep. Leonardo Guerrero of Cavite. Guerrero said Mitra talked by phone with key LDP members and asked them to "hold everything and do not rock the boat" until he arrives. Mitra, founding member of the LDP and expected to be the party's standard bearer in the 1992 presidential elections, left the country on Sunday to join his wife, Cecille, who is seeking treatment for an ailment in the U.S.

The following day, Independence Day, President Aquino announced the launching of the Kabisig and accused traditional politicians of being stumbling blocks in her administration's programs.

Mitra and other LDP members both in the Senate and the House of Representatives have since countered the accusation by saying that Kabisig is meant to launch Mrs. Aquino's reelection bid and that Mrs. Aquino wanted Congress to become a mere rubber stamp of the Presidency.

Guerrero said LDP leaders will meet in the Cojuangco building in Makati today to map out their moves pending the arrival of Mitra. He said the meeting will be presided by Speaker Pro Tempore Antonio Cuenco in behalf of Mitra.

Grumblings about the creation of the Kabisig continued yesterday from Congress, notably from Rep. Francisco Sumulong of Rizal, an uncle of the President.

In Malacanang, Press Secretary Tomas Gomez III said Mrs. Aquino and the core group of Kabisig, which includes several Cabinet members led by Transportation Secretary Oscar Orbos, are aiming to have the movement fully organized and armed with a complete set of action programs before Congress opens its fourth regular session next month. Mrs. Aquino herself issued a statement denying she planned to transform Congress into a rubber stamp and that the Kabisig was nothing but a copy of a movement launched by then President Marcos in 1985. Gomez said Mrs. Aquino wanted the Kabisig to be fully organized "as soon as possible" so she can have an "ace up her sleeve" when she delivers her State of the Nation address during the opening of Congress sessions on July 23. He assured that Malacanang has the necessary clout to fulfill the target date. "It (Kabisig) will be off and running before (July 23)," he said.

Another Malacanang official who asked not to be identified said the early organization of the Kabisig will give Mrs. Aquino the leverage she needs to push Congress to support some of her administration bills and projects. Topping the list of these projects are passage of a fiscal reform package which is topped by new taxes, the Local Government Code and the decentralization measure. In effect, the official said, Mrs. Aquino would try to present Kabisig as a movement that will make sure the administration projects, particularly the vital ones, would be implemented even without congressional support.

Mrs. Aquino denied in her statement that Kabisig was intended to isolate and discredit traditional politicians. "The (Kabisig) is an appeal for support of programs and projects to deliver basic services to our people. It calls for a democratic sharing of national endeavors, freely given out of a common appreciation of the necessity and wisdom of the measures involved."

Gomez stressed that Congress will retain its duty of being a fiscalizer as he said it would be up to the political parties to support or not Mrs. Aquino's call.

Gomez said members of the political opposition can also join Kabisig, but said he doubted whether they would make such a move since they are against the government.

Gomez also said that comparing Mrs. Aquino's Kabisig to the one created by Marcos was like "Comparing apples and oranges." The similarity of the title, he said, could be attributed to a limitation of language. "The fact is, there are so many organizations known as Kabisig. (The similarity) is just incidental and the name is not important."

Public Works and Highways Secretary Fiorello Estuar, a member of the Kabisig core group, also dismissed the similarity in name as "coincidental." "I don't think the people who conceptualized the movement had the old Kabisig movement in mind," he said.

But the Kilusang Bagong Lipunan [New Society Movement] (KBL), Marcos's former party, ridiculed the Kabisig as a mere copy devoid of all the noble intentions of the one created by Marcos. The KBL said Mrs. Aquino's Kabisig was "slitist" and only meant to "grab legislative functions of the Congress."

Meanwhile, Sumulong said the President achieved nothing but a "political storm" in deciding to create the Kabisig. Sumulong, who was interviewed before leaving for China yesterday, said the President made a mistake in creating the Kabisig because it is now rocking the very foundation of her leadership. Sumulong said Mrs. Aquino could not do without Congress because most of her government programs would need legislation.

Guerrero, for his part, shared Sumulong's sentiments. "I don't see how the NGOs (non-government organizations, which will form part of the Kabisig) can help the President unless they want another people power to carry out their plans." Guerrero, however, said that the President made a wise move in choosing Orbos, an LDP member, to be on the forefront of the Kabisig. He said Orbos, being a traditional politician, would know what will hurt the administration.

Another LDP member, Tarlac Rep. Jose Yap, said he believed the President's brother, Rep. Jose Cojuangco Jr., will eventually throw his support behind Mrs. Aquino for the simple reason that they are brother and sister.

Yap explained that the congressmen were understandably "shocked" with the sudden launching of the Kabisig

but that they had mellowed down after she had fully explained the aims of the movement.

Senators Say Senate Not Aquino's 'Rubber Stamp'

*HK1306084390 Manila Manila Broadcasting Company
DZRH in Tagalog 0700 GMT 13 Jun 90*

[Italicized portion in English]

[Text] President Aquino's request to the Senate to approve all proposed administration bills was rejected by senators who are members of the Liberal Party [LP]. Senate President Jovito Salonga and Senators Rene Saguisag and Ernesto Maceda said that the Senate is not a rubber stamp. For more details, here is Cesar Chavez:

[Begin recording] Several senators rejected President Aquino's request to approve all administration bills as a show of their loyalty to the government. Senate President Jovito Salonga said the Senate is willing to cooperate with Aquino on her proposed administration bills, but it will remain independent and would not just bow to Malacanang wishes. In an interview, he said that the senators' cooperation, notably the LP members, is based on principles and not on personality.

Another LP member, Senator Rene Saguisag, said the Senate will look like a rubber stamp if the higher chamber merely concedes to all of Aquino's wishes.

Meanwhile, LP member and Senator Ernesto Maceda stated that the Senate will remain critical of the president and would only pass Malacanang bills that are important.

It is recalled that in her independence day speech, President Aquino reiterated again and again her request to Congress to approve all administration bills or Malacanang proposed bills as a show of loyalty to her.

Senatro Maceda proposed that the "Kabisig" [Partnership] movement launched by the president should be used in a reforestation program:

[Begin Maceda recording] *Well, because the NGO [non-governmental organization] participation in the reforestation, out of 134,000 is supposed to be 3,000 hectares [sentence as heard]. So, the "Kabisig" being a project to ask the private sectors, especially the NGOs, to join, so let us hope that with the "Kabisig" the reforestation participation of NGOs will be more than 3,000, probably and hopefully 50 percent. [end recording]*

Aquino Responds

*HK1406115190 Quezon City GMA 7 Radio-Television
Arts Network in Tagalog 0930 GMT 14 Jun 90*

[From "GMA News" program]

[Text] President Aquino today denied that the launching of the Kabisig [Partnership] movement was an attempt to turn the Senate into a mere rubber stamp. The president said Kabisig aims to solicit the whole nation's

support for government programs and projects. This was the president's response to fears expressed by several political leaders that the Senate will serve as a rubber stamp because of Kabisig.

Aquino, Cabinet Cite Economic Accomplishments

HK1406060190 Manila THE MANILA CHRONICLE
in English 14 Jun 90 p 6

[By Marites Paez]

[Text] President Aquino and her Cabinet yesterday said the government had reduced its expenses, increased tax collections and encouraged lower imports during the first half of this year.

But Finance Secretary Jesus Estanislao warned that persistent problems like the double-digit inflation and the ballooning budget deficit could easily negate the modest growth rate so far achieved.

During the meeting of the National Economic and Development Authority (Neda) Board, chaired by Mrs Aquino, the Executive Department reported a 2% reduction in government expenditure from 8.3% in 1989 to 6.3% this year. The Neda Board members also took note of the following positive mid-year economic signals:

- The fixed capital investment which is "still going strong," running at 20% in real terms, as against 17.7% in 1989.
- The deceleration in growth of imports to only 11% this year compared to more than 33% in 1989.
- Increased tax collection of more than 40%.
- Continued growth of investments in the manufacturing and construction sectors placed at 6% to 8.5% over last year's.

Economic officials explained that reduced government spending would help bring down the present inflation rate of 12.4%. Inflation results when there is too much money in the system competing for a limited supply of goods.

With higher tax collections, the P20-billion [pesos] deficit gap, already beyond government targets, could be reduced.

The slower growth of imports would help the government's balance of payment and increase the dollar reserves.

The continuing inflow of investments means that foreign investors have not pulled out despite the perceived instability in the country.

Despite the healthy signs, the President reiterated her call for "daring" and "dramatic" measures to spur economic growth.

Estanislao admitted the country's growth rate continues to be threatened by double digit inflation, the ballooning budget deficit and the high interest rates. To achieve higher growth rates, Estanislao said government "must

move decisively and quickly" on the comprehensive reform package it earlier adopted in principle. The "omnibus reform package," presented during a Cabinet meeting last week, aims to overhaul the present "regressive" tax system. The package includes lesser tax exemptions and more taxes from the rich.

House Bloc To Launch Mitra Candidacy 'Soon'

HK1106041390 Manila PHILIPPINE DAILY
GLOBE in English 11 Jun 90 pp 1, 8

[By staff writer Rowena Bundang, with a report from J. Fortuna]

[Text] A powerful bloc in the House of Representatives composed of members of the Laban ng Demokratikong Pilipino (LDP) [Struggle of Philippine Democrats] and independent legislators has decided to launch soon the candidacy of Speaker Ramon Mitra Jr. as LDP standard bearer in the 1992 elections, sources told the GLOBE yesterday.

The decision was reached during a meeting last Friday, the same day that Bulacan Governor Roberto Pagdangan and Trade and Industry Secretary Jose Concepcion Jr. announced in Malacanang the administration's plans to launch Katipunan, a political movement aimed at consolidating populist participation in a consultative democracy.

The House bloc reached a consensus, according to the sources, that Mitra and the LDP should now openly contest any bid of President Aquino for reelection.

Mitra was not available for comment on the plan to draft him because he enplaned yesterday with his wife for the United States. Mrs. Cecile Mitra is slated for an operation and this is the only thing on his mind at the moment, an aide told the GLOBE.

Malacanang had earlier stated that President Aquino would head Katipunan, but emphasized that this did not mean she would seek reelection under the movement. Or that Katipunan was envisioned to become a political party.

Despite the disclaimer, however, members of the multi-party administration coalition were one in saying that the movement is planned by key Aquino supporters as the spearhead of a new party and a campaign to persuade the President to run for reelection in 1992.

In endorsing Mitra for the Presidency, the House bloc advised him to talk to two presidential relatives before formally announcing his candidacy. The two are business tycoon Eduardo "Danding" Cojuangco Jr., who is also rumored to be a potential bet of the opposition, and Rep. Jose "Peping" Cojuangco Jr., the President's brother who is a key leader of LDP. The support of the two would bolster Mitra's presidential bid, the congressmen said.

Danding Cojuangco has not yet made a formal announcement about his plans for 1992. At the celebration yesterday of his 55th birthday in Pangasinan, he continued to play coy about his plans, beyond hinting that he may run.

Peping Cojuangco has yet to decide if he will stay with the LDP of which he is secretary general, or renounce his LDP affiliation. He has been reported by the press as being cool to the Katipunan idea.

Other sources told the GLOBE that the LDP had long wanted to proclaim Mitra's candidacy in 1992. But out of "delicadeza," [finesse] the party decided to ask Mrs. Aquino to join the party and be its standard bearer. She declined the offer, however, saying that she does not intend to seek reelection.

In forming Katipunan, LDP leaders said, Mrs. Aquino and her close advisers are closing the door on the LDP and making plans on their own for 1992. Worse, moves have commenced to entice key members of the LDP to join Katipunan, they said. Mitra now has reason to come out in the open about his own candidacy and for the sake of the party, the sources said.

The LDP leaders who attended the Friday meeting singled out Transportation Secretary Oscar Orbos as a virtual turncoat. When he was asked by Mitra if he was involved in Katipunan, "he made it appear as though he was unaware of the Katipunan's creation," the sources claimed. But then Orbos turned out to be at the forefront of organizing the movement, they said. The congressmen said that Orbos's participation in Katipunan is a betrayal of Mitra, considering that the Speaker was "instrumental in Orbos's rise" in government. The transportation secretary through a close confidante has said, however, that he has been asked to join Katipunan, but he has not yet made up his mind about it.

Other government officials involved in Katipunan are Pagdanganan, who is also president of the League of Governors, Health Secretary Alfredo Bengzon and Rep. Artemio Adaza (LDP, Zamboanga del Norte). The sources said that Malacanang tapped Adaza for Katipunan because of his chairmanship of the House ethics committee. Adaza strongly supported the appointment of former Batanes Rep. Florencio Abad as secretary of agrarian reform which the LDP blocked in the Commission on Appointments.

To boost Mitra's election bid, the House bloc said that it assigned Quezon Governor Eduardo Rodriguez, also an official of the governors' league, to enlist the support of local government officials. They assigned Trade and Industry Assistant Secretary Willy Villarama to form the advance parties for Mitra's provincial sorties.

The congressmen also agreed to set up office at the Centrum Building on Makati Avenue in Makati, where Mitra used to hold office.

Among those who attended the Friday meeting were Reps. Ismael Mathay Jr., Rolando Andaya, Leonardo Guerrero, Ronaldo Zamora, Rodriguez, Villarama and several aides of Mitra.

In Sison, Pangasinan, Danding Cojuangco, celebrating his 55th birthday, gave no indication that he was running for the presidency, but his lawyer Estelito Mendoza said there is no legal obstacle to Danding's running for president in a snap or regular election.

In a gathering attended by some 15,000 people at the compound of the sequestered Northern Cement plant, Danding urged the people to unite in the face of country's enormous problems such as unemployment and high prices.

Court Orders Issuance of Passports to Cojuangcos

HK1106103190 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 0930 GMT 11 Jun 90

[From "GMA News" program]

[Text] The Manila Regional Trial Court [MRTC] invalidates today a directive by Foreign Affairs Secretary Raul Manglapus cancelling the Cojuangco family passports. In a ruling issued by Joselito de la Rosa of the MRTC, the court ordered the Department of Foreign Affairs to reissue the passports of Eduardo Cojuangco III, Carlos, Paula, Mark, Soledad, Carmen, and Daniel, all Cojuangco family members. In view of the court ruling, the Cojuangco passports, issued in Los Angeles in 1989, will become valid again until 1994.

Drilon Clarifies Court Ruling

HK1206105790 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 0930 GMT 12 Jun 90

[From "GMA News" program—italicized portion in English]

[Text] Justice Secretary Franklin Drilon clarified a decision by the Manila trial court invalidating a directive by Foreign Affairs Secretary Raul Manglapus cancelling passports of the Cojuangco family as having no bearing on exiled prisoners abroad:

[Begin Drilon recording] *The decision is specifically for Mr. Cojuangco, so, I don't think it will affect the others.*
[end recording]

Article Assesses Third Session of Congress

HK1306032690 Manila PHILIPPINES NEWSDAY in English 13 Jun 90 pp 1, 2

[By Dionision Tubianosa]

[Text] The third regular session of Congress ended June 7, and foremost in the mind of the people is whether it was able to meet the mandate of its existence. Or

whether it at least came up to par with its self-imposed set of priorities during the start of the just-concluded session.

Conflicting answers would surely be the order of the day, depending on one's vantage point. Faced with the same question, an ordinary citizen would first ask himself whether his life or his family's has gotten any better or any worse. The businessman would look at it in terms of the investment climate. And a farmer would ask whether the returns from his labor and production were equitable.

This early it would be difficult, indeed even unfair, to pass weeping judgment on Congress—the House in particular—because the effects of legislation or non-legislation do not come overnight.

On several occasions, both houses of Congress were, as Speaker Ramon V. Mitra Jr. put it, made the whipping boys or scapegoats for so many of the country's political ills, although it cannot be said that they were not partly to blame. The intra-chamber intramurals that have beclouded the Philippine Congress are not seen by many as an ideal situation for a legislature struggling to deal with pressing national problems, and, for the electorate, apparently much is left to be desired.

Mitra has said, "I'm sure this House welcomes this spirit of cooperation between our two chambers as much as I do. In our desire to make this 11th Congress a memorable one, we are one with our colleagues in the Senate: not merely because this Congress has so often been made a whipping boy—a scapegoat—for so many of our political ills, but because we sincerely believe that Philippine democracy cannot function without a free and responsible legislature."

Today, any kind of appraisal of congressional accomplishments other than an objective one would merely be preemptive. At the start of the third regular session, the House of Representatives set three major goals: 1) to spur economic growth through industrialization, and agricultural development through increased productivity; 2) to achieve economic development through the transfer of appropriate technology; and 3) to ensure the equitable distribution of opportunities, income and wealth. It is by these objectives that the body should be measured.

The country's foremost headache is widespread poverty. In line with this, Congress came up with "Kalakalan ng Dalawampu," [small-scale business] Republic Act 6810. This law aims to promote the growth of small countryside business enterprises by exempting them from government control or supervision. A related measure, House Bill [HB] No. 23355, known as "Kalakalan II," gives additional non-tax incentives to rural business entities to spur employment in the countryside.

Congress also came up with HB 22353 promoting industrialization and development in the rural areas through a countryside industrialization fund to enlarge agro-industrial production and expand exports.

The House also passed HB 19440, providing infrastructure support for economic activities in the countryside. The measure authorizes the participation of the private sector in the so-called "build-operate-transfer" public works projects like ports, roads and bridges.

The House also passed legislation effecting an accelerated program for irrigation projects, the upgrading of the Philippine National Railways system, the expansion of livestock markets and the installation of public telephones all over the country—all these being vital measures with long-term effects.

The workers were not left out of congressional concerns: a bill was passed mandating the creation of an overseas contract workers fund; another requiring private business enterprises to employ indigent persons; one creating the national livelihood council; still another—the Seed Act—promoting the certified-seed industry; and finally, a measure granting tax incentives to enterprises that share the profits from increases in productivity with their workers. The last, aside from encouraging profit-sharing, was also intended to promote industrial peace.

The House also passed the controversial Philippine National Police bill. But the measure is still being considered by the Senate-House bicameral conference committee. And not to be forgotten is the congressional grant of emergency powers to the President, which expired last June 8.

Other measures acted upon by the House focus on the areas of civil service reforms, concern for social justice, protection of the environment, strengthening of local governments, government decentralization, bureaucratic reforms and measures supporting agricultural productivity.

Individual congressmen, in response to specific conditions in their constituencies, have filed numerous bills of local application to complement all the broad legislative actions passed by the House.

After the litany of proposals and bills that have been signed into law, the unavoidable question arises: "Did Congress do its job well?"

There is still room to improve congressional performance in the interest of the people. And although democracy also means sacrifice on the part of the citizenry, it would not be right to hide governmental inefficiencies behind the cloak of democratic ideals.

Analysis on Independence Day Show of Solidarity

HK1306051590 Manila THE MANILA CHRONICLE in English 13 Jun 90 pp 1, 6

[“Analysis” column by Amando Doronila: “A demonstration of Solidarity”]

[Text] Yesterday's Independence Day parade at the Luneta was the most impressive demonstration of solidarity for the Republic since 1986. It was also a show of force of the armed forces, which displayed their state of

relative modernization and upgrading of their armor and which underlined their expanded political role. The military component reflected the reality of the post Edsa [Epifanio de los Santos Avenue] balance of political power.

In previous Independence Day parades after the Edsa upheaval, there was only token military participation. Perhaps, the point being made then was that the new government was still not confident about the loyalty of the armed forces which had been pampered by former President Marcos and which, in fact, merely transferred their loyalty from him to the successor government.

Also, it is possible to say that in previous Independence Day celebrations, the new government wanted to stress its priority of restoring civilian institutions. The fact that there had been five coup attempts prior to the failed coup last December emphasized the need to strengthen civilian institutions.

But yesterday's parade indicated changed priorities. Although the civilian participation preceded the military component, underlining the message that the civil society is the order of the day, the military show of force could also be interpreted that the government tried to demonstrate that the armed forces, as an institution, were loyal to it and to the democratic system or that a warning was being signalled to dissident military factions that they would have to pay a high price if they attempted a new coup. Still, one cannot be sure whether a show of loyalty to the Republic is the same as loyalty to a particular government.

During the Marcos regime, the former President did not miss an opportunity to show off the might of the armed forces, especially the new tanks, armored personnel carriers and Sikorsky helicopters he had acquired to equip the military. The exhibition of military armor and equipment had a political purpose—to display to the public the means of violence at the regime's disposal and to intimidate it. Since the military was the main political pillar of the Marcos regime, the purpose of showing it off during parades was to demonstrate the regime's invincibility.

In the case of the Aquino Government, the awesome military component in yesterday's parade could be a symbol of its vulnerability. The Aquino government may not have the intention of showing off the military to intimidate the political opposition, although it may be said that with such a display of military muscle, the message could not be lost on the Aquino-government that it is important, for its survival, to make extraordinary efforts to keep the loyalty of the mainstream military.

Yesterday was the 92nd anniversary of the Philippine Republic whose origins are traced to the declaration of independence by General Emilio Aguinaldo in Kawit in 1898. This historical connection is not lost on us. Indeed, the civilian pageants were built on the theme of the bloody struggle of the Filipinos to win independence

from the battle of Mactan to the 1898 Kawit proclamation. Since the slaughter of Magellan's soldiers in Mactan, we have never ceased fighting or revolting for our independence and freedom, and even today, segments and institutions of the Republic are still fighting one another—this time for state power.

But what was muted in yesterday's theme was the fact that while the Republic is now nearly a century old, it is facing the most critical period of political instability since Kawit. What made the Malolos Republic short-lived was not the power struggle among revolutionary factions to win leadership of the Philippine Revolution. The reason for the demise was American military intervention.

Next month, specifically on July 4, the nation will mark the 44th year after it formally regained its independence, and yet the nation is more divided today than it was after the war. The division that tore the nation apart in the early postwar years was about the split of the Filipino elites, who were loyal to the Quezon government in exile during the war and those who joined the collaboration government led by President Jose Laurel.

The elite managed to mend their split and resume their political rivalry through the restoration of the electoral process which guaranteed the continuation of their class rule.

It was in their class interests to reconcile. But the present instability is more threatening. The division emanates from the rebellion inside the armed forces against a constitutional state. Today's instability is underlined by the profound incompatibility of the political values held by a relatively young segment of the military leadership and those held by the conservative ruling elite.

So, yesterday, the fact that another Independence Day celebration took place, that the government survived another week of fears of a new coup, and the armed forces flexed their muscle in the parade without turning their guns against the government offered hope that perhaps the sense of a higher loyalty to the Republic may have taken hold.

But Independence Day is not an average day. It is a day of euphoria and people, during such an occasion, tend to identify themselves with the nation, sometimes even if the national political leadership has lost popularity. The fact that there was a relatively large crowd at the Luneta that watched and applauded the pageants with patriotic themes and witnessed the marching troops with their armor and new deadly infantry weapons—some of which could be used for coups or for counter coups—may have been a hopeful sign.

It is an evidence that during a crisis, people get involved in public events such as parades. Their participation as

witnesses in a theater of patriotic pageantry involves them with the fate of the nation. That means crisis summons from the people a sense of nationhood. That is why the theme of the celebration, "Ang Bayan Muna [The Country First]," seems to have an empathy with the mood of the nation yesterday.

Editorial Views Military's Credibility

HK1106043190 Manila PHILIPPINE DAILY INQUIRER in English 11 Jun 90 p 4

[Editorial: "AFP's (Armed Forces of the Philippines) Credibility and Coup Rumors]

[Text] Gen. [General] Renato S. de Villa, Armed Forces chief of staff, is back in town after a long vacation with his wife in the United States. We don't know how long he was scheduled to be away and we are not sure if the actuations of Maj. [Major] Gen. Rodolfo Biazon, whom he had appointed acting chief of staff in his absence, had anything to do with what appears to have been a truncated trip.

But we all know that Biazon—quoting intelligence sources—had caused a precarious dip in the stock market when he said the rebels planned another coup attempt tomorrow, June 12, to coincide with the Independence Day celebrations.

Defense Secretary Fidel V. Ramos took Biazon to task for that statement, and Biazon, in fairness to him, has since soft-pedalled, saying that what he really meant was that no matter what Honasan and Zumel and Company did, they would never succeed in toppling the government.

But coup predictions, especially those made by still credible personalities like Biazon, the acknowledged star of the December coup attempt, have a way of sticking to the people's subconscious. And especially when the efforts to allay coup fears are made, not by equally believable sources, by those who have either been losing their credibility or have themselves been rumored as possible coup plotters.

Was it this perception—that Ramos' assurances only succeeded in heightening fears—that may have prompted the administration to ask De Villa to cut short his stay in the United States and come home to minimize whatever damage may have been inflicted by Biazon's tactlessness? We may never know the truth, considering Press Secretary Tomas Gomez's sad record on candor. What we know is that De Villa is back and talking about how prepared the government is for any eventuality between today and tomorrow or any such time the rebels decide to stage their seventh attempt to topple Ms. Aquino.

In an interview Friday with reporters covering Malacanang, De Villa revealed that Honasan's renegades were recruiting soldiers to their ranks. But he belittled the renegades' efforts, saying that every time recruitment

was detected, "we go out and confront the commanders and the commanders confront the soldiers and so they (rebels) have not succeeded."

Trouble is, De Villa may himself be only as credible as Ramos since both officials are known to belong to the same camp; in fact not a few acid pens have written that one is the clone of the other.

Such perceptions of De Villa's credibility are not totally baseless. In the early stages of the December putsch, he kept announcing to all and sundry that Brig. [Brigadier] Gen. Jose Blando was en route to Metro Manila with his Rangers from Fort Magsaysay in Laur, Nueva Ecija, to reinforce beleaguered government forces. We all know how the story ended. We are also reminded of how Commodore Domingo Calajate used to be one of De Villa's boys until the Chief of Staff appointed him to the AFP [Armed Forces of the Philippines] Logistics Command to replace still another De Villa boy who had been accused of corruption there.

The people learned a lot from the December putsch. And the lessons do not speak well of the Ramos-De Villa leadership.

Soldiers Acquitted of Lupao Massacre Charge

HK1206122190 Manila Radio Veritas in Tagalog 1200 GMT 12 Jun 90

[Italicized portion in English]

[Text] According to an investigation by the Commission on Human Rights, the soldiers involved in the so-called Lupao massacre were found not guilty. Chairman Mary Concepcion Bautista said that while the massacre did occur, a military encounter also took place. She added that there was no evidence pointing to direct assault by the soldiers on the victims of the Lupao massacre.

[Begin Bautista recording] *The commission has come up with a final conclusion that there was indeed an encounter. If you will recall, one of their soldiers was killed and another one was wounded. As far as our investigation showed, the military did not even know that there were people in that area.* [end recording]

Meanwhile, human rights groups contested Bautista's pronouncements. According to their own studies and to the pictures taken at the scene of the Lupao massacre, the soldiers were involved in the crime.

Honasan's Spokesman Arrested 13 June

HK1406084590 Manila Manila Broadcasting Company DZRH in Tagalog 0700 GMT 14 Jun 90

[By Eloi Aquino—italicized portion in English]

[Text] A joint force from the Intelligence Service of the Armed Forces of the Philippines [AFP] and the National Capital Region Defense Command arrested one of the seven active members of the Reform the Armed Forces

Movement [RAM] and Young Officers Union in Paranaque yesterday afternoon.

AFP Deputy Chief of Staff for Intelligence Brigadier Alfredo Filler identified the rebel soldier as Lieutenant Junior Grade Robert Lee, 42 years old, who served as the spokesman for former Lieutenant Colonel Gringo Honasan on the 28 August 1987 coup attempt. Lee carries a 200,000 pesos cash reward on his head. He was arrested while entering the Doctora Santos Avenue in Ireneville Subdivision in Paranaque while driving his metallic brown Mitsubishi Lancer car at about 1700 [0800 GMT] yesterday afternoon. The rebel officer was formerly assigned to the Department of National Defense along with Honasan before the 28 August coup attempt was launched. He was Gringo's spokesman and read his statement over Channel 13 when they occupied the broadcast city in Diliman that time. Lee, who belongs to the Philippine Military Academy Class of 1981, was arrested by a joint military force. He did not resist arrest and was unarmed at the time. His arrest came following several weeks of surveillance and after a concerned civilian gave a tip to the military.

According to Filler, the military could not yet determine Lee's participation in the December coup because he had already been dropped from the military list soon after the 28 August coup. Lee will face charges against Articles of War 67 for mutiny and Article 96, which is conduct unbecoming of an officer and a gentleman at the General Court Martial No. 9:

[Begin Filler recording] *He was on AWOL and was covered by an arrest order issued by the chief of staff, Armed Forces of the Philippines dated 21 September 1987, for involvement, among others, in the broadcast city IBC-13 takeover during the August 28, 1987 failed coup. It may be recalled that at that time, he acted as the spokesman for the RAM. A reward of 200,000 pesos...* [end recording]

Rebels Said 'Reluctant' To Launch New Coup

HK1106101390 Manila THE MANILA CHRONICLE
in English 9 Jun 90 p 1

[By staff members Marites Paez and Manny Mogato]

[Excerpt] Rebel soldiers are "very reluctant" to attempt another coup after having failed to get the support of senior civilian officials in Ferdinand Marcos' regime, a high official of the National Security Council said yesterday.

The rebels had them in mind for the "interim government" they intended to set up if they succeeded, the official, who asked not to be named, told the CHRONICLE.

He said military intelligence had established that the Reform the Armed Forces Movement (RAM), the leading group in the coup plot, and the Young Officers' Union (YOU) had approached justices on Marcos'

Supreme Court particularly but had been turned down. He would not name the justices, however.

The rebels have realized, as documents captured from the RAM show, that they need "a civilian component" and "critical mass support" for their movement, the official said. The RAM is making sure it has civilian backing before it strikes again, he said. "Maniniguro ngayon ang RAM [The arm will want to take a sure shot]."

He said he did not think the rebels would make any attempt "in the next months." Right now, he said, they are only capable of mounting "terroristic attacks." Actually, they are suspected of having been doing that lately, planting bombs in public places, threatening businessmen supporting the government and the military and rescuing comrades from military detention. [passage omitted]

Series Examines YOU's Formation, Goals, Impact

Part One

HK1406061790 Manila PHILIPPINE DAILY
INQUIRER in English 11 Jun 90 pp 1, 7

["Special report" by Fe B. Zamora: YOU (Young Officers Union): "How Reb Group Was Formed"; part one]

[Text] To the staff of a three-star hotel along Roxas Blvd., the group of men who straggled in the night of March 16, 1990, are typical tired professionals out for a nightcap.

Military agents posted in the area, however, knew there was something more to the casualness projected by this group of men in their mid-20s and late 30s. The seemingly innocent party was actually composed of young rebel soldiers who are members of the Young Officers Union.

YOU, said to be composed of captains and lieutenants from the Philippine Military Academy [PMA], has taken a front seat in current destabilization moves from the ultra-rightist forces. With its barrage of press statements and media interviews, the group has easily overshadowed the renegade Reform the Armed Forces Movement-Soldiers of the Filipino People, and has alarmed the military to a point that a sizeable bounty has been offered for the capture of its top leaders.

A department order signed by Defense Secretary Fidel V. Ramos Saturday said cash rewards totalling P1.5 million [pesos] had been raised for the arrest of seven key YOU members, including Marines Maj. [Major] Ariel Querubin who led the assault on Camp Aguinaldo in last December's coup attempt.

The others on Ramos' list are ex-PC [Philippine Constabulary] Capt. [Captain] Washington Javier and PC Capt. Rafael Cardeno, with P300,000 each on their heads; Lt. [Lieutenant] Junior Grade Robert Lee and

PAF [Philippine Air Force] Capt. Christopher Mesias, with P200,000 reward each, and Capt. Nestor Flordeliza and 1Lt. Renato Padua, P100,000 each.

In a talk with newsmen in Davao City, Ramos also identified Maj. Abraham Purugganan as the YOU spokesman using the nom de guerre Capt. Carlos Magla-lang, and offered a P1-million reward for his capture.

YOU, whose members are said to be "people in a hurry" proved the description accurate when, barely three months after the bloody December putsch, the group held the hotel meeting to pursue their plans.

Batac's Brainchild

A military intelligence brief dated April 5, 1990, reported that the clandestine meeting was presided over by fugitive PC Lt. Col. [Colonel] Vic Batac. The agenda: recruitment of more members, reorganization, and methods to be used in overthrowing the Aquino administration. The report also stated that the YOU was a "brainchild" of Batac.

Until he went underground after the December putsch, Batac was a familiar hulk at the Camp Aguinaldo golf course. Held under house arrest in connection with the Aug. 28, 1987, coup attempt, he was later re-assigned to the Constabulary Computer Center. But intelligence analysis was his forte and easily gained him the respect of defense reporters as their favorite source. Batac, they discovered, was both brawn and brains.

In 1985, the good-natured Batac, then chief of the PC intelligence production branch, spent nights meeting with young military officers on the subject of reforms.

In that Roxas Blvd. meeting, the topic was more explicit. According to the military brief, the third agenda Batac discussed with YOU bared the soul of the young officers who were weaned on a regimen of unquestioning and apolitical soldiery.

This was a far cry from the group's very political orientation, the military document cited. It noted that the YOU professes to offer a "non-communist alternative to imperialism, fascism and communism." It also claims to be inspired by the heroes of 1896, the nationalist crusade of the late Sen. Claro M. Recto and the activism of the First Quarter Storm in the early '70s.

Significantly, the military brief reported, YOU leaders deliberately made the "organization formless and informal" to maintain secrecy in the identity of its officers and members.

"Misguided, Messianic"

Who are these officers and why have they departed from the traditional roles of the Filipino soldier?

Displeased senior commanders are quick to snort at them as "misguided sonnamaguns" who feel they are

"God's gifts to the AFP [Armed Forces of the Philippines]." Others have diagnosed them as afflicted with a "messianic complex," and worse, labelled them as "immature officers" and "problem children of the AFP."

For the military, it would have been the simplest solution to dismiss them as such, but classified military reports on the YOU indicate the AFP's apprehensions over this shadowy group.

A secret military document furnished to the INQUIRER described the YOU as an "organizational myth" created by the RAM—also called the Rebolusyonaryong Alyansang Makabayan [Revolutionary Nationalist Alliance]—"to confuse the various political forces in our society."

Ramos and AFP Chief of Staff Gen. [General] Renato S. de Villa, in separate instances, expressed similar views, calling the YOU as a "spin-off of the RAM" and a RAMBoys' "ploy" to divert public attention from the carnage of the December coup which has been strongly associated with the renegade group.

"Son of RAM"

RAM former adviser—or father, if you will—retired Brig. [Brigadier] Gen. Jose Almonte revealed some affection for the YOU. In an interview, Almonte said the YOU members are his "gradchildren"—the group being the "son" of RAM.

Almonte however sees the YOU as more radical. He recalled that when he was "fathering" the RAM officers like Lt. Colonels Gregorio Honasan, Red Kapunan, Vic Batac and Tito Legaspi, they all thought he was "conservative." These days, he revealed, it is the YOU who sees Honasan, Kapunan, Batac, Legaspi and the rest of the RAM core group as "conservatives."

The secret document pointed to the YOU as a "clone of the RAM" which was "intentionally organized" or "encouraged by a group in the RAM to serve as a more widely acceptable organization to officers, including the non-PMAers, after the RAM developed a reputation of being elitist."

The military report also raised a theory that YOU was an "entirely distinct organization from RAM borne out of the desire of (RAM) junior members to seek (their) own identity." It traced the rift from the successful civilian-backed military coup in February 1986, which side-tracked the RAM from military issues and "deeper and deeper into political issues and activities." The younger circle of RAM members apparently disapproved of this, and wanted the RAM to focus on their basic concerns in the AFP, such as the leadership, the faulty promotion system, low pay, graft and corruption, and their perception that the government was coddling the communists. The RAM appeared to be beyond these concerns, so the younger officers saw the need to organize a "subgroup" within the RAM.

CCP Counterforce

According to the military document, YOU's earliest manifestations were the statements and press releases issued in 1986 by the so-called "Young Lieutenants, Captains and Majors" [YLCM] which signified their plans to "form a political party within the AFP as a counterforce to the Communist Party of the Philippines (CPP). The report disclosed that the YLCM "gestated later into the YOU," and that somewhere along its development as a movement, some of its recruited leaders fell in with the group of Nilo Tayag," a known left-of-center ideologue."

The document was used in the Intelligence Service of the AFP (ISAFP) briefing in April and, according to ISAFP sources, is being used in the series of "workshops" among agents involved in counter operations against ultra-rightist groups.

The document identified the YOU membership as limited to PMA graduates from 1978 to 1988, and reservists who are mostly assigned in the National Capital Region. It said about 60 percent of PMA Class '88 are YOU members. This batch was composed of senior PMA cadets who expressed support for Honasan's failed Aug. 28, 1987, coup. The document also named a sizeable number from PMA class '86 as active YOU members, and suggested that some of them may be harboring gripes against the government for its attempt to abolish this PMA batch after the 1986 EDSA [Epifanio de los Santos Avenue] People Power Revolution.

Despite the high media profile and the big names in its roster of leaders, YOU's actual strength remains undetermined.

Even the AFP offers only vague assurances when the YOU finally moves to strike down the government, as quoted from the military report "...whether (YOU) can generate support from among the company grade and field grade officers, including from the police force, depends entirely on the spontaneous effects of the issues it raises."

Part Two

HK1406062790 Manila PHILIPPINE DAILY
INQUIRER in English 12 Jun 90 pp 1, 12

["Special report" by Fe B. Zamora: YOU (Young Officers Union): "Rightist Group Using Leftist Methods": part two]

[Text] Near-midnight of June 9, 1990, a young Army lieutenant and 15 teenagers gathered in an informal huddle in an apartment along a tree-lined avenue in Quezon City. This was no late summer chat on the "facts of life" that boys this age would willingly trade sleep for, nor was it an evening for spinning tales of war and bravery as recalled by the young soldier.

This was serious business, with the boys expressing their aspirations as citizens of a democracy and the lieutenant acknowledging it as "some sort of a teach-in."

Undeterred by the presence of media, the boys went on with their group discussion, while the young military officer talked to the INQUIRER.

"We talk about our experiences, and what we see as problems that confront us. We go from the micro to the macro level. There must be something that's common among us, that can bind us," he said, his eyes burning with idealism. The "binding factor," the lieutenant went on, could be the ideology of Filipinism.

To an outsider, such words and methods properly belong to the underground teach-ins among leftist groups. Instead, the lieutenant is just one of the "undetermined" number of young officers identified by the military as members of the rebel soldier faction Young Officers Union. The use of leftist jargon and strategies among members of this right-wing group may confirm a military document's report that YOU is just "an organizational myth" created by the Reform the Armed Forces Movement "to confuse the various political forces in our society."

And confuse it does, because military reports identify the YOU as the "brainchild" of fugitive PC Lt. Col. Vic Batac whose forte is intelligence analysis, and of left-of-center ideologue Nilo Tayag. But identification with Tayag also contradicts YOU's own definition of Filipinism as "the non-communist alternative to imperialism, fascism, and communism." And this is precisely what puts YOU under fire.

Embracing Filipinism as espoused by former communist-turned-Marcos-man Nilo Tayag somehow beclouds the intentions of the group, since even Marcos loyalist ex-Lt. Col. Reynaldo Cabauatan has mouthed the same ideology. This ideology, YOU claims, sets the group apart from RAM [Reform the Armed Forces Movement] (whose ideology is purely coup-oriented, snorted a YOU member) and the loyalist Soldiers of the Filipino People (a discredited group, according to YOU).

The group appears unfazed by the overlapping claims to its guiding ideology from the extreme left to the extreme right of the political spectrum, and ready to explain their particular distinction. In a press conference held somewhere in Quezon last month, the YOU "begged to disagree" to allegations that it shared the Marcos loyalists' line.

"An ideology is not for sale," a YOU member said pointedly.

As a nationalist ideology, YOU likes to point out, Filipinism is the "automatic solution" to the "deeply-rooted problem of imperialism," as symbolized by the presence of the U.S. bases.

The YOU recently served its "termination notice" to the U.S. bases, in yet another confusing re-alignment of strategies with anti-bases factions, most of them from left-of-center organizations.

In an interview with newsmen in January and February, the group likewise declared, "YOU is not the nationalist force per se. It is just part of the nationalist force that we are trying to evolve. We also do not pretend that we are the spearhead. We are just injecting the idea. We are just providing the spark."

The "teach in" in Quezon City revealed how YOU reaches out to inject the idea among the idealistic young. The young lieutenant has also been recruiting actively inside military camps, with his frank criticisms of corruption in the military.

Asked if the YOU had a deadline to beat in propagating its political line, a YOU spokesman said, "It all depends on how receptive the people are to this idea."

Adopting yet another tactic identified with leftist groups, YOU claims to have organized cells among the youth, students, women, professionals, military, and peasants sectors. Most of these sectors were well-represented during a YOU press conference held somewhere in Quezon province on May 13.

YOU spokesman Capt. Carlos Maglalang (whom the military believes is Ranger Maj. Abraham Purugganan) said the Democratic Front for Filipinism will "unite the various forces towards nationalism," that is envisioned as "partyless." "We have to organize the grassroots and form the political party which will exercise the general with [as published]. "Ito ay para sa lahat. Hindi kami namimili. Walang magmanipulate [It is for everyone. We do not discriminate. Nobody will manipulate]," he said. The Quezon City midnight "teach-in" held by the young battlescarred lieutenant could well be the start of YOU's much-vaunted masa [grassroot] orientation.

Part Three

HK1406063190 Manila PHILIPPINE DAILY
INQUIRER in English 13 Jun 90 pp 1, 8

["Special report" by Fe B. Zamora: "General Target of YOU (Young Officers Union) charges"; part three]

[Text] If plans work out as scheduled, the Armed Forces might soon find itself the target of harsh attention as a young lieutenant files charges of corruption against a well-placed star-rank official. If and when he does, it will mark a dramatic moment for the AFP [Armed Forces of the Philippines] and the Young Officer's Union—much like a problem child reprimanding a corrupt parent. The charges would be well-documented, an officer identified with the YOU told the INQUIRER.

While the AFP has ordered a manhunt for nine identified YOU members for a total reward of P2.8 million, the YOU source said the amount could be considered peanuts compared to the amount looted from AFP coffers by corrupt officials.

Corruption is easily the most tangible ill that besets the AFP, pointed out some young officers and enlisted men in the field.

What irks the young officers most is how ranking officials allegedly involved in anomalous activities go unpunished. Past incidents show that except for an early retirement or a change of assignment, guilty officials often go scot-free.

A classified AFP document on the activities of YOU said that the clandestine group has conducted 67 research studies on graft and corruption in the Armed Forces, and has sponsored seminars on the same topic before various groups of soldiers. The studies were reportedly conducted during the first semester of 1989, before the combined forces of the Reform the AFP Movement, the Soldiers of the Filipino People and the YOU launched the sixth and most serious attempt to topple the government last December.

Should it take place, the confrontation between the YOU and the AFP could be the single most serious threat against the military. As one PC general once said: "The greatest threat to the AFP is not insurgency, but corruption."

Not a few military officers believe the AFP leadership is more worried about the YOU's capability to attack the AFP moral leadership than its firepower. Indeed, at its present stage, the YOU lacks the "necessary force" to engage the AFP in combat. But a well-documented expose on corruption could be its potent weapon. Because in a moral confrontation, the YOU will definitely have the upper hand. Its members—from the 1978 to 1988 batches of the Philippine Military Academy [PMA] and reservists mostly assigned in the national capital region—are generally young and in their warrior stage and fortunately not yet in a position to enrich themselves.

Their shining idealism could however lead them to dubious loyalties.

A military document has reported that about 60 percent of PMA Class '88 are YOU members. It is this batch of senior cadets which expressed support for renegade Lt. Col. Gregorio Honasan's Aug. 28, 1987, coup attempt. The document also named as YOU active members a sizeable representation of PMA Class '86 who are themselves likely coup supporters. This class is said to be harboring gripes against the government for its attempt to abolish this batch after the 1986 EDSA [Epifanio de los Santos Avenue] Revolt.

While most military officers identified with the YOU have remained untainted by the corruption in the AFP, its alleged spokesman, Maj. Abraham Purugganan, may yet prove to be an exception. For one, there is persistent talk about Purugganan's wealth allegedly acquired from gold-panning activities in Davao where he was assigned some years ago.

"I will only believe in (Purugganan) if he gives an accounting of how much he earned from gold panning.

and if he is willing to live on a soldier's salary like most of us," a classmate from PMA Class '78 told the INQUIRER.

Purugganan's "unsavory record" has been confirmed by some YOU members. But the AFP, in one of its reports, described the group's spokesman in glowing terms, and said he was "ideally situated" for the job "proxy for the new organization of disaffected officers." A former training officer of the elite Scout Rangers, Purugganan earned the admiration of "gullible young lieutenants undergoing basic ranger courses" with his "service reputation, prestige and finances to influence many others." The document said Purugganan represented the young officers during the creation of a "four-member Plotters Command Staff" in September 1989. The staff was composed of Brig. Gen. Edgardo Abenina as chairman, with Honasan, dismissed Brig. Gen. Jose Ma. Zumel and Purugganan as members.

Conclusion

HK1406063990 Manila PHILIPPINE DAILY
INQUIRER in English 14 Jun 90 pp 1, 9

[**"Special Report"** by Fe B. Zamora: "YOU (Young Officers Union) Sign of Disunity in AFP (Armed Forces of the Philippines)"; conclusion]

[Text] For a group that has been dismissed repeatedly as "non-existent" and "an organizational myth of RAM," the Young Officers Union has suddenly attracted enough attention from the AFP which has offered a P2.8 million for the capture of key YOU officers.

Why is there such fear and loathing for this clandestine group of young military officers?

Aside from holding documents that detail alleged corruption in the AFP and a possible line-up of "the best and the brightest" among graduates of the Philippine Military Academy, YOU, by its very existence, negates the public image that the military has struggled to maintain all these years—that of unity and unswerving loyalty among its ranks.

Fracious AFP

YOU, according to a secret AFP report on the group, can sow further divisions in the already fractious Armed Forces which could lead to the creation of a shadow chain of command outside the official structure. "By alleging to exist and by espousing or promoting causes popular with the junior ranks, it can serve as a rallying point to officers with some just grievances. This may create a shadow chain of command outside the official structure," the report said.

"While at this time the YOU still remains incapable of launching destabilization activities by itself, its more dangerous potential lies in the fact that its present acts can cause disunity within the AFP, sow confusion among the rank-and-file and weaken the chain of command," the military report said.

The strategy to use this weakest link in the AFP may have been confirmed by an Army lieutenant who is a YOU member when he said: "What we have in the AFP is a horizontal division, with the generals and colonels isolated from the junior officers and the rank-and-file. I believe this is more dangerous."

Formative Stage

The looming threat is somehow tempered by the YOU's current "formative stage," said the military report which added that at this point, the group remains unsure of the soldier's support when it moves to strike against the government. The report said: "... whether it can generate support from among the company grade and field grade officers, including from the police force, depends entirely on the spontaneous effects of the issues (YOU) raises."

Top defense and military officials used to deny YOU, saying it was a fictitious group created by rebel Lt. Col. Gregorio Honasan and his cohorts in the Reform the AFP Movement-Soldiers of the Filipino People [SFP]. But last week, Defense Secretary-Fidel V. Ramos signalled a change in the AFP's tune when he offered cash rewards for the arrest of seven members of YOU. Ironically, the military report acknowledging the threats posed by YOU was dated April 5, the time when AFP Chief of Staff Gen. Renato de Villa insisted the group was non-existent. "Very likely, (YOU) is the brainchild of former Lt. Col. Vic Batac and Nilo Tayag with former Maj. Abraham Purugganan fronting for them," the report said.

YOU Structure

The report also described the organizational structure of the combined RAM-SFP-YOU rebel forces and compared it to the structure of the communist Left, with the Communist Party of the Philippines [CPP] as RAM; the New People's Army [NPA] as SFP, and the National Democratic Front as YOU.

The report said YOU not only threaten the AFP's command structure, but also weakens the military in its war against the insurgents. "It can present a perception of a divided AFP that could be taken advantage of by the other threats to our national security, like the CPP/NPA," the report also said. Not a few military commanders have, in fact, blamed the coup plotters for the upsurge of communist activities. They said the December coup attempt launched by the combined forces of the RAM/SFP/YOU diverted the AFP's attention from the CPP/NPA. The coup try in December was the sixth and most serious attempt to topple the Aquino government and left 113 persons dead and 600 others injured.

United Front

The report said YOU is developing a broad mass-oriented united front supported by liaison, propaganda/psy-ops (psychological operations) and education/

research groups. According to the report, YOU is also avidly recruiting members for its united front from the military, youth, labor, peasant, business, professional and media sectors, with alliances provided by the Mindanao Independence Movement, the Moro Islamic Liberation Front and the Moro National Liberation Front.

YOU has also put on a nationalist skin by adopting the ideology of Filipinism espoused by Nilo Tayag, who is described by the military as a left of center ideologue. In fact, the group has already initiated teach-ins on Filipinism among the various sectors.

The AFP, however, believes that YOU's greater danger lies in its link with RAM. The group, through its spokesman Capt. Carlos Maglalang, has categorically denied the RAM connection, but the AFP thinks otherwise. "There is the distinct possibility that YOU may again allow itself to be utilized by the RAM to attain the latter's objectives of grabbing political power via another coup attempt," said the AFP in its assessment of YOU.

The report also cited the YOU's efforts to "intensify its recruitment activities and efforts to draw popular attention from the military and civilian sectors," by using the media.

NPA Member on Urban Guerrilla Activity

*HK1106113390 Manila DIYARYO FILIPINO
in Tagalog 31 May 90 PP 1, 5*

[Text] Sierra Madre—The communist guerrillas in the urban areas have sufficient capability to "shake up the United States-Aquino regime" in the center of power itself—Metro Manila. This was stated by Philip "Comrade Andro" Limjoco, believed to be among those who organized the guerrilla movement in Metro Manila, in a letter received by DIYARYO FILIPINO yesterday.

Limjoco, who admitted to "be in a town nearby", was reportedly among the New People's Army [NPA] members who were killed in the controversial purge of suspected military spies in the first part of 1989.

"The Alex Boncayao Brigade (ABB) has demonstrated its ability to launch many small-scale military operations which promoted the militant activities of the broad masses in the urban centers," said Limjoco. A total of 200 military officials and personnel, police and civilians has been killed by the ABB since it operated in Metro Manila six years ago, this top ABB official added last week.

Communist guerrillas are also suspected to be responsible for the killing of eight Americans who were assassinated since 1989, including two U.S. Air Force personnel who were killed last 13 May, one day before the formal start of talks between the Philippines and the United States over the future of U.S. military bases in the country.

Limjoco said the ABB is expected to intensify attacks against foreigners this year. The ABB marked its sixth anniversary last 23 May.

This Monday, the constabulary launched its 2,000 men strong antiterrorist brigade intended to combat the communist ABB in Metro Manila. The ABB is estimated to have some 250 to 300 regulars.

Limjoco also revealed the history behind the establishment of the ABB, saying that "it took almost a decade of preparations before it was finally put into place." "It went through a lengthy process of formation, dissolution, formation, dissolution, formation again, and dissolution before it was totally consolidated."

"In the early part of its organization, a worker comrade became the first to fall in 1972 when the secret hideout was raided by the enemy," he said. The next to fall was Henry Romero of MANILA BULLETIN, said Limjoco. Romero was allegedly picked up by the military in 1976 following the first conference of the armed urban partisan. "More fell and it is important to remember them," Limjoco stressed.

He also said, "Rural experience has proven to be of great help to the partisan comrades." "They have learned to adapt the principles of people's warfare to the unique characteristics of urban centers," he added.

NDF Withdraws Support for Mindanao Peace Zone

*HK1106041590 Manila THE MANILA CHRONICLE
in English 11 Jun 90 p 3*

[By staffmember Carolyn Arguillas]

[Text] Davao City—The National Democratic Front [NDF] Friday withdrew its support for the first zone of peace in Mindanao, allegedly because of violations by the military.

NDF spokesman Ariel Badiang said in a press statement that the zone of peace in Tulunan, North Cotabato "cannot co-exist with the total war policy" of the Aquino Government."

Badiang said a combined team of the Army's 27th Infantry Battalion and 100 Cagug [Citizens Armed Forces Geographical Units] swooped down on the peace zone on April 16, ransacked the houses and accused the residents of aiding the New People's Army [NPA]. The military accused the rebels of using the peace zone as staging area for attacks in nearby barangay [bgy.]. The day before, NPA elements attacked a military detachment in nearby Bgy. Banayal. Six soldiers were killed and their bodies, burned.

The zone of peace in Bituan, Tulunan, North Cotabato was formally set up on Feb. 27 by residents, local government and church groups. The military and NDF representatives said they would support the peace zone.

"This so-called peace zone is a legalized hamlet," Badiang said, adding that surrounding the zone is "the reality of food blockade, checkpoints and detachments." Badiang claimed the military has cordoned the area and required anyone entering or leaving Bituan to sign in the logbook.

The peace zone, the first ever in Mindanao, was supported by various national government agencies, the Peace Commission, the Commission on Human Rights and non-government organizations like the Citizens' Disaster Rehabilitation Center.

Illegal Firearms Drive Launched in Region 13

HK1206115790 Quezon City Radyo ng Bayan in Tagalog 1100 GMT 12 Jun 90

[Text] The military has begun the confiscation of illegal firearms in the possession of some known politicians in Region 13. This was reported by PC-INP [Philippine Constabulary-Integrated National Police] 3 commander Brigadier General Manuel Bruan to PC chief Major General Cesar Nazareno.

Bruan launched a campaign to confiscate illegal and highpowered firearms used by private armies under the previous administration. Reports said that ultra-rightist groups are acquiring arms from politicians who remain supporters of the past administration.

Increased GDP in First Quarter Reported

HK0706044990 Manila BUSINESS STAR in English 7 Jun 90 p 2

["Indicator" column by Rica D. Delfinado: "GDP Rises But by a Slower 4.69% in 1st Quarter of 1990"]

[Text] Economic activities pursued in the agricultural, industrial and services sectors during the first quarter this year generated a Gross Domestic Product (GDP) for the country of P27.614 [pesos] billion in constant 1972 prices, 4.69% more than P26.377 billion GDP that was churned out in the same period last year.

The GDP growth rate for the period, however, was slower by .08 percentage points than the 5.04% GDP growth rate registered in 1989. This, no doubt, was the effect of the December 1989 coup which placed the entire economy in the doldrums and the long-drawn drought which ravaged agricultural production in particular.

According to the National Statistical Coordinating Board (NSCB) in its latest report on the country's national income accounts, the only sector which grew faster this year in terms of contribution to GDP was industry. This sector churned out a GDP also tantamount to the sectors' real income—amounting to P9.405 billion during the first quarter, 6.19% more than P8.857 billion in the same period last year. Industry's growth rate was faster by .7 percentage points this year compared to 5.49% last year.

Construction led the industrial sector in GDP performance during the first quarter whence it realized an 8.5% increase in real income, from P1.477 billion last year to P1.570 billion this year.

It was followed by manufacturing which experienced a 5.92% growth in real income from P6.188 billion in 1989 to P6.893 billion this year.

Mining and quarrying also exhibited an increase, of 2.76% from P395 million last year to P409 million this year. This sector's growth rate was an improvement from the previous 76% growth rate achieved in 1989, the result of gains attained in copper and gold mining as well as in non-metallics.

The utilities sector, composed of electricity, gas and water, meanwhile, experienced a decline in real income this year, growing by only 5.75% as against 6.33% last year. The NSCB traced the decline to the deceleration of production in the electricity sub-sector, due mainly to the breakdown, during the height of the drought last summer, of National Power Corp. (NPC) power generators.

Overall, the industry sector accounted for 34% of the aggregate GDP for the period under review.

The agricultural sector, which is actually agriculture, fishery and forestry rolled into one, meanwhile, contributed to overall GDP a total of P7.578 billion during the first quarter this year, 2.45% more than the year-ago level of P7.188 billion. The increase was mainly due to gains in livestock, poultry and fishery sub-sectors which helped cushion the decline wrought by the drought on agricultural crops during the period. Such damage, however, slowed down the sector's GDP growth rate .46 percentage points as against the year-ago 2.91%.

Real income from forestry also experienced negative growth of 2.5% as a result of the government policy to preserve forest resources.

The service sector, which accounted for 38.5% of the country's total domestic output, grew by 5.02% in real terms. The transportation, finance and housing, and private services sub-sectors all experienced sustained growth during the first quarter of the year while trade and government services posted slower growths.

The services sector, though, posted the biggest slowdown in GDP growth, at 1.22 percentage points, from 6.24% to 5.02%.

Thailand

Reportage on Chatchai Visit to United States

Minister Previews Visit

BK1006081490 Bangkok Domestic Service in English 0000 GMT 10 Jun 90

["News in Perspective" feature]

[Text] Before leaving for the United States as part of Prime Minister Chatchai Chunhawan's delegation on an

official visit between 11 and 18 June, Mr. Kon Thappharangsi, minister to the Prime Minister's Office, discussed proposed cooperation between Thailand and the United States in the fields of trade and narcotics cooperation.

[Begin recording] Since this is going to be the first official visit of the prime minister to the United States, I think the prime minister and members of the cabinet who will accompany the prime minister are quite enthusiastic in meeting our counterparts in the U.S. Administration.

I think we have been friends for such a long time, there is no question about that, and we will continue to be friends in the future, that is between Thailand and the United States, and I think we will use this opportunity to go over several issues that I believe we can find the solutions to our mutual benefit.

Regarding trade and investment and narcotics, these three subjects I believe will be the highlight of our conversations. That is, not to mention the Cambodian issue which the prime minister will handle that himself directly with the President.

Regarding trade and investment, I believe Minister Subin from the Commerce Ministry and myself will handle the discussions. On my part, I would like to bring it to the attention of the U.S. Government—the administration and the legislative branch—that in the world of free trade today we have to face reality. Being competitive is the key to the success, and if American products turn out not to be so competitive in the open field the way to solve that problem is not to write up a bill and try to pass it to become a law and then hoping that such a law will be followed by everybody in the world. I do not believe that this is the most healthy kind of a solution. I would rather try to suggest to my counterparts in the United States to sit together and try to find some workable solutions to solve those respective commercial problems.

I have this theory, which I intend to pass on to my friends in the United States, that in order to solve any problem relating to commercial subject and trying to solve the problem through legal means, I do not believe that will be a very successful solution. [sentence as heard]

Second [as heard], we would like to bring to the attention of the U.S. Administration and legislation potential investment opportunity for American companies in Thailand, especially along the southern sea coast, which we (are investing in) another huge petroleum-related industry in the next 5 years.

The third point will be in line with what the prime minister had earlier proposed to the President in Tokyo, that was when they met the last time, that the Government of Thailand would like to propose that a joint commission between Thailand and the United States ought to be established so that any issues relating to trade or investment can be brought forward to this established body, instead of trying to solve the problem on a piecemeal basis—that is, whenever a problem erupts, we try to

solve on a one-by-one basis. I do not believe that that is a very constructive means of a solution. We would rather have this joint body officially established, and then any problem relating to trade or investment on either side can be brought forward to this joint body. And this joint body will have the opportunity to discuss with the respective private sector.

For example, at the moment the Government of Thailand is working very closely with the American Chamber of Commerce who operates business in Thailand, and we have found this work to be very successful and very productive. As a matter of fact, we have been getting very good cooperation from American businessmen working in Thailand. During the week that the prime minister and myself will be in Washington, there would be at the same time in Washington ten American businessmen who represent the American Chamber of Commerce in Bangkok also attending meetings and appointments with the senators and high officials in the American Administration during that same week in Washington D.C. I think this kind of cooperation is to be brought to the attention of the U.S. Government. I do not think they have a knowledge about this kind of cooperation. This kind of cooperation is very productive, constructive, and it leads to a lot mutual understanding, and I think we will try to encourage more activities in this line of concept. [end recording]

Drug Policy Clarification Sought

BK1006020290 Bangkok THE NATION in English
10 Jun 90 p 2

[Text] Thailand will ask the US government for a clarification of its drug policy so that the two countries can cooperate better in clamping down on illicit drug activities in the region, a senior government official said yesterday.

Pol Lt Gen [Police Lieutenant General] Chawalit Yotmani, secretary general of the Office of Narcotics Control Board, said PM's [Prime Minister's] Office Minister Kon Thappharangsi would ask the US to state clearly what its top priority was, help crack down on the narcotics trade in Burma or halt aid to Thailand's neighbour because of its record of human rights abuses. Kon and Chawalit are among 130 people who will accompany Prime Minister Chatchai Chunhawan on an official visit to the United States between June 11 and 19.

He said Washington wanted to provide assistance on drug suppression to the Burmese government while the Congress planned to introduce a law banning US aid to that country because of the human rights problem. He said Kon would inform US authorities that Thailand wanted to cooperate with the United States in clamping down on illicit drugs in this region and that the suppression would be more effective if it had a clear understanding of US policy.

Chawalit said the Thai delegates would also point out to US authorities the success of Thailand's crop substitution programme and the reduction of its poppy planting areas. He said Thailand had been cooperating with the Burmese government mainly in the area of intelligence but it wanted to help Burma turn poppy fields into cash crop planting areas.

Chawalit said he did not want to estimate how much the US would allocate for Thailand's drug suppression programmes next year as the financial aid had been reduced after that country increased its support for Colombia and other Latin American countries. Thailand received \$2.9 million from the US for anti-drug programme this year, a decrease of about \$600,000 from last year, according to Chawalit.

Program Confirmed 'Unchanged'

*BK1406152590 Bangkok Army Television Channel 5
in Thai 1300 GMT 90*

[Text] Today at 1300 local time on 12 June in Austria, Prime Minister General Chatchai Chunhawan, accompanied by his wife Bunruan Chunhawan and part of the entourage comprising Foreign Minister Air Chief Marshal Sitthi Sawetsila, Commerce Minister Subin Pinkhayan, and Kon Thappharangsi, minister attached to the Prime Minister's Office, attended a luncheon hosted by Austrian Chancellor Dr. Franz Vranitzky at the Government House.

In the evening of the same day, the Thai Embassy hosted a dinner for the Thai prime minister and his wife at the (?Grinsing) village. The prime minister told reporters that he had been closely informed by the Thai authorities of the political situation in Thailand and learned that everything was normal. He confirmed that he would not cut short the program of his visit to the United States.

[Begin recording, in progress] [Chatchai] ...No, nothing, everything is normal.

[Reporter] Will you reshuffle the Cabinet when you return home?

[Chatchai] [laughs]...where is the car?

[Reporter] Will the program of your visit to the United States remain unchanged?

[Chatchai] Yes, unchanged. [end recording]

On the next day 13 June, at 1100 local time, the prime minister and party left Vienna for the United States. They arrived in Washington D.C. at 1500 on the same day. The prime minister was welcomed by U.S. Secretary of State James Baker at Andrews Airport. According to the report, the United States gave a fitting welcome to the Thai delegation. The Thai prime minister will meet with U.S. President George Bush at the White House at 1100 local time on 14 June. The topics of discussion will include the Cambodian conflict, Thai-U.S. trade, settlement of the Indochinese refugees, and drug trafficking through Thai territory.

Chatchai, Bush Meet 14 Jun

*BK1506022290 Bangkok Domestic Service in Thai
0000 GMT 15 Jun 90*

[Text] At 1045 Washington, D.C. time on 14 June, Prime Minister General Chatchai Chunhawan and his delegation consisting of Foreign Minister Air Chief Marshal Sitthi Sawetsila; Commerce Minister Subin Pinkhayan; Science, Technology, and Energy Minister Prachuap Chaiyasan; Minister Attached to the Prime Minister's Office Kon Thappharangsi; and officials concerned left Blair House, the residence provided by the U.S. Government for the prime minister during his visit, for the White House for a meeting with U.S. President George Bush. The meeting between the U.S. President and the Thai prime minister began at about 1100 and took about 30 minutes. It was followed by a meeting of the full Thai and U.S. delegations, which lasted about one hour.

Reporting on the meeting, Government Spokesman Suwit Yotmani said Cambodia was the first topic of discussion. The U.S. President supported the Thai efforts and intentions to help solve the Cambodian problem and praised Thailand's role to continuously advance negotiations on the Cambodian problem, particularly by arranging the recent meeting among leaders of the four Cambodian factions in Tokyo. Gen. Chatchai said the U.S. role is very important in solving the Cambodian problem and felt that the United States should consult with China—whose role is also important—to accelerate effective settlement of the problem. Both countries agreed that a comprehensive settlement of the Cambodian problem is essential. The U.S. President expressed satisfaction with the start of the negotiations among the various Cambodian factions on a cease-fire because it is an important step toward a comprehensive settlement of the Cambodian problem.

The second issue of discussions was narcotics, which the United States regarded as very important. Thailand expressed its determination to tackle this problem, especially as the king has shown great concern on the issue and wanted the government to tackle it in a serious and continual manner. The prime minister informed the U.S. President that Thailand has always tried to solve the narcotics problem and that the Thai parliament is in the process of enacting [new] anti-narcotics laws. This is a clear evidence of Thailand's determination to use strong measures to deal with the problem. Thailand has undertaken a two-pronged plan to deal with the narcotics problem; that is, to reduce the demand for narcotics and to suppress narcotics production. The Thai suppression has been continuous and strong.

The U.S. President said the U.S. Government has taken measures to reduce domestic demand for narcotics and pledged to assist Thailand in suppressing narcotics production near the Thai-Burmese and Thai-Lao borders and of illegal production in Thailand, which has

already decreased but still requires simultaneous attention with the suppression of production outside Thailand. The United States will give full assistance in the form of equipment.

On Southeast Asian security, Gen. Chatchai insisted that the U.S. role in maintaining stability and security in this region is very important and wanted it to continue. The U.S. side assured Thailand that it will not forget Asia despite its increased attention to East Europe, because it realizes the importance of Asia. The United States and Thailand agreed to stronger economic cooperation in Asia and the Pacific.

On bilateral cooperation, Thailand encouraged greater U.S. investment in Thailand, especially in the southern seaboard development program and such high-technology projects as telecommunications. Outstanding bilateral issues, such as trade, will require gradual solutions. The prime minister insisted that Thailand has tried to comply with every U.S. request. But Thailand has to cautiously follow steps to fully oversee its national interests while at the same time taking into account the U.S. requests. For example, cutting short the ban on establishment and expansion of plate glass factories is a Thai action to comply with a U.S. request. The prime minister expressed the hope that through gradual negotiations, Thailand will soon be removed from the priority watch list for U.S. trade retaliation.

On Thai-U.S. economic cooperation discussions, Suwit said Thailand and the United States agreed on the formation of a mechanism for discussion of the trade and investment problems at the ministerial level. The Thai side on this mechanism will comprise Commerce Minister Subin Pinkhayan and Minister Attached to the Prime Minister's Office Kon Thappharangsi; while the secretary of commerce and a representative of the U.S. trade representative will be on the U.S. side. The mechanism will more systematically solve and prevent problems, and its establishment is expected soon.

After the meeting, the U.S. President hosted a luncheon in honor of the Thai prime minister and his delegation at the White House.

Meanwhile, the prime minister gave a special interview with newsmen at Blair House on the morning of 14 June before leaving for the meeting with the U.S. President. The prime minister rejected the rumors in Bangkok about his intention to dissolve the House of Representatives after he returns from the United States. He said there would definitely be no dissolution of the House, assuring that the matter was never on his mind. The current government is a coalition and he must consult other parties in the coalition before making any decision.

That morning an aide of U.S. President George Bush delivered to the prime minister a golf putter made of silver and bronze and engraved with the presidential seal, and golf balls embossed with the presidential seal and autographed by the President. The prime minister was very pleased with the gift.

Bush, Chatchai Address Media

*BK1506025690 Bangkok Domestic Service in Thai
0000 GMT 15 Jun 90*

[Report by Fongsaman Chamonchan and Charurin Musikaphong from Washington]

[Text] After a private meeting between Prime Minister General Chatchai Chunhawan and U.S. President George Bush, the meeting between the full Thai and U.S. delegations, and the luncheon hosted by the U.S. President for the prime minister on the morning of 14 June, at 1300 the U.S. President and the Thai prime minister jointly addressed Thai and foreign newsmen in the the White House's rose garden.

The function began with U.S. President George Bush leading in the Thai prime minister Foreign Minister Air Chief Marshal Sitthi Sawetsila, Commerce; Minister Subin Pinkhayan; Science, Technology, and Energy Minister Prachuap Chaiyasan; and Minister Attached to the Prime Minister's Office Kon Thappharangsi. The U.S. President said, in part:

[Begin Bush recording in English fading into Thai translation] I have the pleasure to welcome the prime minister and his delegation from Thailand, one of America's oldest friends and closest allies. Thailand is an independent country that has a long history and is rich in natural resources and culture. In this changing world, Thailand has achieved successful economic progress and democratic development.

In my discussions with the Thai prime minister, we agreed to maintain our security relationship. I have assured him that in this changing world, the United States will continue to firmly uphold its obligations under the Manila pact. Both countries agreed that their cooperation will continue. I thank Thailand for its long-standing cooperation in the refugee issue and pledge that the United States will share its responsibilities regarding the Vietnamese refugees in Thailand. On the Cambodian problem, both sides agreed that diplomatic efforts to end the war should continue, and that a comprehensive settlement—which includes free elections in Cambodia under UN supervision and verification by an international peacekeeping force—is essential. [end recording]

Prime Minister Gen. Chatchai then noted the relationship and friendship between the two countries, which have existed for 157 years, and the trend toward their advancement. In particular, Thailand hopes that the United States will actively participate in the peace process in Cambodia. The United States and Thailand have agreed on consultations in every economic area, including joint investment. On narcotics, the prime minister said:

[Begin Chatchai recording in English fading into Thai translation] I share your concern on the need to rid the menace of narcotics from our societies. We must try to eliminate both the demand and supply of narcotics. On Thailand's part, the Thai king has expressed a special

concern about this problem and has instructed the government to seriously tackle it. I pledge to you that the Thai Government will fully support the campaign against illicit drugs. [end recording]

Further on Address

*BK1506080990 Bangkok Domestic Service
in English 0000 GMT 15 Jun 90*

[Report by Public Relations Department Correspondent Suthep Saikrachang from Washington]

[Text] Prime Minister General Chatchai Chunhawan had private talks with U.S. President George Bush at Oval Office of the White House. Following their 20-minute talks, the two leaders joined a plenary session of bilateral talks and a working luncheon. Later, the two leaders appeared at Rose Garden to deliver departure statements, starting with U.S. President George Bush:

[Begin Bush recording] Prime Minister Chatchai is a distinguished emissary from a noble land—from the temples and palaces of Bangkok to the teak forests and the fertile rice paddies of the provinces. The Kingdom of Thailand is a land proud in its independent history, rich in its resources, and steadfast in its culture and faith. But in this era of breathtaking change in Asia and [two-second distortion in transmission] what is most remarkable about Thailand is that it has combined double-digit economic growth with the emergence of parliamentary democracy.

As His Royal Majesty King Phumiphon reminded a joint session of congress 30 years ago this month, the word Thai actually means free. Thailand is the only country in Southeast Asia that maintained its independence throughout the colonial era. So, even though our peoples live on opposite sides of the globe, our countries are [word indistinct] by a common vision, and we have freedom, our common cause, and in freedom our nations have found an abiding friendship.

In our discussions, the prime minister and I agreed on the importance of maintaining the U.S.-Thai security relationship. I told him that while regional circumstances and world conditions have changed, America's commitment under the Manila Pact to Thailand's security and integrity remains firm. [end recording]

And after that Prime Minister General Chatchai Chunhawan delivered his departure statement:

[Begin Chatchai recording] I have expressed to President Bush my hope that we would be able to build upon our 157 years of friendship and cooperation and together forge a closer and active partnership into the future. With the more favorable trends of international relations, our two countries are committed more than ever to work together in bringing peace to Cambodia and to end the suffering of the Cambodian people. We will do all we can to accelerate the ongoing peace process. In this regard, we are prepared to work with the United States and the other permanent members of the United Nations

Security Council to attain our common objective of a comprehensive peace in Cambodia through a free and fair election. We look upon the United States' active participation in the Cambodia peace process and the United States presence as a stabilizing role in the region as being vital to peace and stability of Southeast Asia.

In our economic relations, we have agreed to set up a consultative mechanism on all aspects of our economic relations, which I hope could lead to a new framework for economic relations and partnership between our two countries. Such a mechanism would allow us to regularly discuss any potential trade issues before they become trade disputes. It would also serve as a vehicle to promote the constructive areas of economic cooperation, especially in joint investment which is bound to assume greatest significance in our economic relations in the future. The United States technology is second to none and so the United States investment should be second to none.

Mr. President, I share with you your concern on the need to rid our societies of the menace of drugs. It is tearing apart the very fabrics of our societies. Our efforts must be directed at both supply and demand sides of this problem. On our part, his majesty the king is particularly concerned about the problem and has urged the government to take serious steps to tackle it. I pledge to you the full support of the Thai Government in the war against drugs. [end recording]

Commerce Minister Reports

*BK1506085190 Bangkok Domestic Service in Thai
0530 GMT 15 Jun 90*

[Report by Fongsaman Chamonchan from Washington]

[Text] Commerce Minister Subin Pinkhayan told reporters during a meeting between Prime Minister General Chatchai Chunhawan and Thai residents in Washington on 14 June that the United States will consider removing Thailand from a list of countries posing economic problems for the United States. The commerce minister says:

[Begin Subin recording] During the discussion, the U.S. counterpart informed us that at the end of this year the United States will review results of its trade with all the other countries. The United States will then decide which countries it will have to hold talks with. As we all know, Thailand is still included on the United States' priority watch list. Therefore, Thailand and the United States must hold negotiations every six months to find ways to solve the problem together. I told them that including Thailand on the U.S. priority watch list would cause uncertainty in Thai trade, and would not help bilateral trade to expand as much as it should. I asked if the United States could remove Thailand from its priority watch list. I pointed out that this would assure both Thailand and the United States that they are good trading partners. They understood the point I raised.

Priority watch list status means that trade will continue but talks will be required while "black list" status means no more trade between the countries, which is not good.

The U.S. counterpart told us that, in fact, the United States does not want to have a priority watch list, but Thailand and the United States will have to talk further and reach agreements. I told them that the agreements should focus on patent, copyright, and trade law, as well as cooperation during the negotiations in the Uruguay Round of GATT. They understood the points. I believe the United States will consider our request regarding the priority watch list in November. [end recording]

Concern Over Verbal 'Sniping' by Sihanoukists

BK1106004590 Bangkok THE NATION in English
11 Jun 90 p 1

[Text] Thailand might be compelled to review its ties with the Cambodian faction loyal to Prince Norodom Sihanouk if its leaders do not stop their "character assassination" of Thai leaders pursuing peace in Cambodia, an adviser to the prime minister said yesterday.

Kraisak Chanhavan told THE NATION that the Thai government was fed up with criticism from leaders of the Sihanoukist faction about Thailand's attempt to settle the Cambodian problem. Kraisak pointed to recent comments by Prince Norodom Ranariddh, Sihanouk's son, which he saw as an act of "character assassination" against Chatchai and an attempt to create a rift between Chatchai and Deputy Prime Minister Gen [General] Chawalit Yongchaiyut. Rannariddh told reporters on Friday that Gen Chawalit was the prime mover behind the Tokyo meeting but that inputs from Chatchai's advisers and American officials had soured the peace talks.

Ranariddh, who described Chawalit as the official "chef" of the meeting, was quoted as saying that "Too many cooks spoil the soup. Ranariddh blamed the advisers and American officials for the refusal by the Khmer Rouge to endorse a voluntary ceasefire agreement that was signed by Prince Sihanouk and Phnom Penh Prime Minister Hun Sen.

"It's ridiculous (to say) that these moves were made without General Chawalit's knowledge," said Kraisak, who added that the vice premier was in Tokyo as the head of Thai "resource delegation," while Chatchai's advisers were only Chawalit's back-up team. "These kinds of sniping remarks have always been made against us (but the real) aim is the Prime Minister," Kraisak said, adding that "if he (Rannariddh) really wants such bad ties with Thailand, please spell it out straight away."

The adviser said that Chatchai did not personally want to be a patron to the Cambodian people, but only wanted to help settle the Cambodian conflict because it directly affects Thailand. "Thailand has to bear all the implications of having good ties with the resistance movement.

Thousands of Thai villagers along the border have died or been wounded just because we adhere and assist the Cambodian resistance's cause," he said.

"If he (Ranariddh) thinks that the settlement of the Cambodian conflict is only Cambodian business, let the Funcinpec (the Sihanoukist faction) move all its personnel from Thai soil into Cambodia," Kraisak said.

Cambodian Refugees Repatriated Under UN Program

BK1006021990 Bangkok THE NATION in English
10 Jun 90 p 2

[By Kokhet Chanthaloetlak]

[Text] Aranyaprathet—Thirty-five Cambodians who had been living in a refugee camp here for several years returned home on Thursday [7 June] under a voluntary repatriation programme arranged by the UN High Commission for Refugees (UNGCR), sources said.

The sources said the returnees, who had been living at UNHCR-supervised Khao I-Dang camp, were accepted into the programme that helps arrange their journey home. The returnees from nine families made up the single largest group of Cambodians to be sent back to Phnom Penh from Thailand, which currently shelters about 270,000 Cambodian displaced persons. Several Cambodian families have been repatriated before.

This latest group was sent directly to Phnom Penh on board a chartered flight instead of having to travel through Hanoi as was the case in previous repatriations, the sources said.

Cambodians who fled civil war in their country have been sheltered in 11 camps along the Thai-Cambodian border. Most of the Cambodian civilians were driven into Thailand during the 1975 takeover by the Khmer Rouge and during the 1978-79 Vietnamese invasion that dislodged the Marxist regime from power.

Thousands of Cambodians at Khao I-Dang have been living at the camp for several years with the hope that they would be resettled in Western countries. But their hope of moving overseas has faded because most Western countries cancelled their resettlement programmes for Cambodians a few years ago.

The sources said many Cambodians living in camps under the control of the three resistance forces—the Nationalist Sihanoukist Army, the Khmer People's National Liberation Front and the Khmer Rouge—have applied to be moved to Khao I-Dang, which is not run by any faction. But their requests have yet to be processed by Thai authorities charged with refugee affairs, according to the sources.

The Thai government had recently planned to move all Cambodians into Khao I-Dang where they would undergo training to prepare for repatriation after a peace settlement is achieved among the warring factions. But the plan has been suspended pending further considering

by policy makers as the Cambodian factions inch closer toward a ceasefire, the sources said.

If the factions agree on a ceasefire, there would be no need to set up a neutral camp in Thailand because the Cambodians could be sent directly back to their homeland from their existing camps in Thailand, sources said.

Soviets Request 200,000-Tonne Rice Purchase

*BK1506012990 Bangkok THE NATION in English
15 Jun 90 p 1*

[By Suthichai Yun in Washington]

[Text] The Soviet Union may soon be in Thailand's debt for the first time ever following Moscow's recent request to buy about 200,000 tonnes of rice on a 12-year credit plan, sources said yesterday. Soviet Vice Foreign Minister Igor Rogachev made the request in a meeting earlier this month in Bangkok with Deputy Premier Phong Sarasin and Commerce Minister Subin Pinkhayan. The Soviet vice minister also met Prime Minister Chatchai Chunchawan and Foreign Minister Sitthi Sawetsila during his Bangkok visit to attend the annual conference for the United Nations Economic and Social Commission for Asia and the Pacific, which concluded on Wednesday.

"It's a very long, unprecedented installment payment term for Thailand and Phong was surprised when he heard of the Soviet proposal," said one source who asked not to be named. The source quoted Rogachev as saying that the 12-year plan was the same term agreed upon between Moscow and New Delhi under a financial aid programme the Soviet Union extended to India for construction of a dam. "That's the argument he cited to ask for the 12-year credit plan for the rice deal from Thailand," the source added.

The Thai side responded by asking Moscow to work out details, such as the type and price of the rice, and forward it to Bangkok for consideration, the sources said.

Chatchai has already learned of the Soviet proposal.

The proposal by Moscow reflects not only food shortages in the Soviet Union but also the acute scarcity of hard currency in that country, the sources commented.

"We are now considering the proposal and if the rice deal is concluded, Thailand would for the first time ever become a creditor of the Soviet Union," a source said.

Chatchai plans to visit the Soviet Union where he will meet Soviet President Mikhail Gorbachev.

Army Plans Drive To Repatriate Illegal Burmese

*BK0706011990 Bangkok THE NATION in English
7 Jun 90 p 1*

[Text] Thai authorities will today start arresting and repatriating Burmese nationals living illegally in this northern district.

Col [Colonel] Bunru Simek, deputy commander of Task Force 34, said yesterday that about 200 officers and officials from all concerned agencies will be mobilized to take part in the operation which was to begin at 5 am this morning. The initial operation will concentrate on the Burmese community in Mae Sot district where about 1,000 Burmese are believed to have taken refuge, he said. The crackdown will later expand to Mae Ramat, Phop Phra, Tha Song Yang, and Umphang districts. Those arrested will be questioned before being deported to Burma's border town of Myawadi, he said, adding that his office had informed Myawadi authorities of the operation both verbally and by letter.

Thousands of Burmese, many of whom are students, fled to Thailand following the September 1988 military coup d'etat to crush the pro-democracy uprising. Most of the illegal immigrants have been working as labourers. Burmese authorities have frequently accused the student dissidents and ethnic Burmese insurgents for being responsible for several bomb blasts in Myawadi which have resulted in innocent Thais and Burmese becoming casualties.

Bunru said the sweep is being undertaken because many of the illegal immigrants had created problems. The crime rates in the common border areas have soared since their arrival and the increase in economic and trading activities between Thai businessmen and Burmese authorities. Four handcuffed Burmese army defectors were recently shot dead in Mae Sot and the case is still under investigation.

The deputy commander said the roundup operation will not affect a number of Burmese labourers, who have registered with Tak district office at the request of the Tak Chamber of Commerce.

Suchinda Responds to Ministers' Remarks

*BK1006154990 Bangkok Army Television Channel 5
in Thai 1230 GMT 10 Jun 90*

[Text] At 2100 last night, deputy Army Commander General Itsaraphong Nunphakdi made an unexpected visit to Singapore to meet with the Army commander, General Suchinda Khraprayun, who is currently visiting there. Reports of the meeting have led to speculation that the two could be holding urgent consultations about the military establishment's dissatisfaction with the remarks by Ministers Trairong Suwankhiri and Chaloem Yubamrungs. Gen. Itsaraphong returned to Bangkok this afternoon.

At 1830 tonight Singapore time, Gen. Suchinda gave an interview with Army Television Channel 5 on his meeting with the deputy Army commander.

[Begin recording] [Correspondent Somkiat Onwiman] The deputy Army commander made an urgent visit to see you about the political situation concerning the Army in the past few days. People in Bangkok are following developments closely. What have you and the deputy Army commander decided to do?

[Suchinda] The deputy Army commander's visit to Singapore does not concern a political situation at all. He just returned to Bangkok from the United States yesterday. We talked on the phone. It was Saturday night, so I asked him to come to Singapore to rest. He came and we played golf. I wanted him to play golf with the Singapore supreme commander and other senior Singapore military officers. They had played with each other before. He returned after the golf game; that is all.

[Somkiat] What do you plan to do about the political situation?

[Suchinda] I said several times already that I will not get involved in political matters, except if events make it unavoidable. There is no political situation at this time that warrants any involvement on my part.

[Somkiat] Two ministers made remarks concerning the military establishment. One remark was that it is easier to become an Army commander than a member of Parliament, which could imply that the former Army commander [General Chawalit] should run in an election. There has been some reaction from the Army on this issue, what will happen next?

[Suchinda] Personally, I am not bothered by remarks from Minister Trairong, who said it is easier to become an Army commander than a member of Parliament. It is not good to sensationalize this matter as it will lead to disunity. Trairong's remark could be just an unintentional slip of the tongue. I do not think we should let it cause disunity. I do not think anything about it and do not think it will turn into a serious issue.

However, I wish that politicians and people in the political arena would be careful about what they say. Soldiers cherish their honor. In particular, at present most soldiers are unhappy with the fact that some individuals are trying to attack their honor. I want the various sectors to be careful about this. A characteristic of being a soldier is having been trained to cherish one's honor and pride. Without these qualities the Armed Forces cannot maintain unity and strength. People outside the military establishment may not understand that soldiers cannot tolerate an insult to their honor. I want to warn others to be careful about this.

[Somkiat] How about Minister Chaloem's remarks against the defense minister?

[Suchinda] The defense minister regards himself as having already left the military and is now in the political

arena. But because he has only recently left the military, his link with the military establishment still exists. He continues to have many followers among his former subordinates. Therefore, it is normal that anger is aroused among these people. This is why I urge care, because we must help preserve the democratic administrative system as best we can. To do this there must be compromise on both sides, and meddling or any abrasive action that could cause one side to lose patience must be avoided. This is what I want everyone to consider. [end recording]

Minister Says Political Situation 'Normal'

BK1506143390 Bangkok Domestic Service in Thai
1200 GMT 15 Jun 90

[Text] Interior Minister Banhan Sinlapa-acha, talking to reporters at the ministry today, denied that he had been trying to contact General Chawalit Yongchaiyut, former deputy prime minister and defense minister, in order to ask the latter to join the government again. Banhan said that the report was not true and that he never contacted and never met Gen. Chawalit.

Asked about the political situation, he said that everything is normal. Regarding the concern of a negative impact from the current situation on foreign investment, the interior minister said that the uncertainties in the situation might affect the confidence of foreign investors, but this problem will be resolved once the prime minister is back. He noted that this is normal under the democratic system.

Asked whether the prime minister himself will negotiate with Gen. Chawalit, Banhan said any negotiations are up to the the prime minister, and the appointment of the defense minister as well as the question of a cabinet reshuffle is again the sole responsibility of the prime minister.

Asked by reporters whether political tensions would ease after the prime minister has returned from his U.S. visit, the interior minister said the prime minister had given assurances that there is no problem, and he believed that we would be able to solve this matter, as we have many times in the past, by bringing back stability. The commanders of the Armed Forces were all present to see the prime minister off at the airport before he left for the United States. They also pledged that everything is normal.

Asked whether he was in touch with the prime minister by telephone, the interior minister said he had not contacted the prime minister as there is no problem to discuss. He said the secretary general to the prime minister has been reporting to the prime minister about the political situation. The press center also reports to him.

Chawalit New Internal Security Command Adviser

*BK1506135090 Bangkok Army Television Channel 5
in Thai 1315 GMT 15 Jun 90*

[Order 370/1990 issued by the Internal Security Command on appointment of special adviser—read by announcer]

[Text] In the interests of official administration involving the defense of independence, sovereignty and security of the nation, religion and monarchy, by virtue of Article 4, Section 2, of the act of the Internal Security Command's director of 1976, General Chawalit Yongchhaiyut is hereby appointed special adviser to the Internal Security Command, the Supreme Command, the Army, the Navy and the Air Force. This takes effect as of this date.

[Dated] Issued on 15 June 1990.

[Signed] Gen Sunthon Khongsomphong, director of the Internal Security Command.

Chawalit's Next Move, Democracy Viewed

*BK1306045390 Bangkok BANGKOK POST in English
13 Jun 90 p 6*

[Editorial: "Democracy: Proof It Is Here To Stay"]

[Text] When former prime minister Prem Tinsulanon declined the renomination for the premiership after the last general election in July 1988, he might have sent a discreet signal to the military leadership to give the civilian politicians a chance to elevate the country to a fuller degree of democracy. While underscoring his own pragmatism, Gen [General] Prem probably also had little choice but to accept the growing clamour among various sections of the Thai intellectual populace at the time for a further advancement from what had essentially been a quasi-democratic system under his lengthy regime. The overall political system has since taken a turn for the better.

Thai democracy definitely got another positive boost on Monday night when the top echelons of the Armed Forces rallied behind Prime Minister Chatchai Chunchawan and effectively pledged that there would be no coup during his trip to the United States. It was, in the words of Opposition leader Samak Suntharawat, a "victory for democracy". More than that, it was a victory for the country as a whole. The resilient system had once again survived another major test in the end, restraint and logic prevailed. Tension and widespread political jitters prompted by the series of military shows of force in barracks in Bangkok and the provinces throughout Monday visibly subsided yesterday.

Although the emotional display of anger by unit commanders against PM's [Prime Minister's] Office Minister Chaloei Yubamrung over his stinging criticism of Gen Chawalit Yongchhaiyut caused damage to Thailand's image in the eyes of the international community, Gen Chawalit himself and the other military top brass have to

be credited for subsequently restoring calm. Air Force Commander Air Chief Marshal Kaset Rotchananin touched at the heart of the central issue when he declared that coups are outdated. Indeed, Thailand has made impressive progress in its political liberalisation and there is no reason whatsoever for turning back.

It is the duty of the military leadership to propagate this positive attitude to the rank and file. Army commanders, both past and present, like saying that soldiers are just like other ordinary citizens. As such, it would be perfectly legitimate for the uniformed men to air their views—so long as their action is not intimidating or does not threaten the larger public interest. The sort of thinly-veiled threats emanating from some of the unit commanders on Monday served no constructive purpose apart from undercutting their own standing.

Now that the dust has begun to settle, all eyes are focused on Gen Chawalit's next move. The brevity of his tenure as deputy prime minister and defence minister was hardly sufficient to judge his overall performance as a senior Cabinet minister. The apparent sensitivity with which he reacted to Minister Chaloei's criticism indicates, not surprisingly, that he has yet to transform himself into the mould of a politician. That may take time, given the fact that his whole life has been spent as a military officer.

The prime minister had let it be known before that he intended to groom Gen [General] Chawalit as his successor eventually. There was, in fact, speculation that the two had reached an arrangement whereby Gen Chawalit would join the Chat Thai Party and later succeed the prime minister as party leader. But these reported plans are clouded with uncertainty now that the ex-army chief is out of the Government. However this should not disrupt whatever plans he might have for his own future political career. Indeed his predecessor, Gen Athit Kamlang-ek, and other retired senior army officers have already set an example by participating in mainstream parliamentary politics. There is no reason why Gen Chawalit should not follow in the same footsteps. Like other men and women who feel sufficiently confident to contribute to the public cause, Gen Chawalit can start preparing to enter the electoral arena, seizing his opportunity when he judges the time to be right.

Pattani Incident, Secessionist Movement Viewed

*BK1506110390 Bangkok LAK THAI in Thai
11-17 Jun 90 pp 24-26*

[Article: "The Kruze Mob; Pattani Is Target"]

[Text] The recent incident in Pattani was the most serious in 30 years. Intelligence officials have come to the conclusion that it was as serious as when the federation of Pattani was proclaimed under a plan for four southern provinces to secede. What happened in the past was motivated by political developments in neighboring Malaysia—as many as 80 percent of the Thai people in the four southern provinces speak the same language and

adopt the same religious belief as in Malaysia. The secessionists just took advantage of the situation to advance their claim of secession. Considering the current situation in the world and in Asia one would be astonished by what has happened in Pattani. The movement is worth watching because it runs counter to the general trend. Thailand and Malaysia are now on good terms, with Malaysia being sincere with its pledge not to get involved in or support any activities negatively directed against Thailand. Presently cooperation between Thailand and Malaysia is at its best.

What happened in Pattani was unbelievable. Those people behaved as if Thailand was a nation without laws. They attacked and wounded a police officer with deputy superintendent rank. They blocked roads, declared areas off limits to law and authorities, and threatened to harm or even kill Buddhists. Worst of all, they committed an act of lese majeste.

According to our sources, the incident in Pattani was not an opening up of a new campaign. The timing of the demonstration to coincide with the anniversary of the death of Khomeini, the late Iranian leader, was aimed at achieving certain effects. Local Muslim community leaders also said that the incident was not a purely religious issue, but religion was used as a pretext to pursue certain designs.

Our sources have drawn attention to the 26 January 1990 announcement of the Islamic state of Langkasuka (Negara Islam Langkasuka). It reads: "titah bertindak secara panas bagi membasmikan pencerobohan oleh anasir yang tidak bertanggung jawab" which means waging warfare to eradicate and destroy irresponsible elements [as published].

The proclamation of an Islamic state of Langkasuka has been heard before when secessionists renewed their activities for the cause of secession. But this time there was a proclamation of the kingdom of sultan, and the name of the leader or monarch was given as sultan Muhammad Akhir Zaman [as published], or called maharaja Langkasuka. He is the supreme administrative ruler as well as chief of the military supreme command (ketua pemerintah tertinggi tentera).

LAK THAI learned that Langkasuka has printed materials for distribution with the stamps of the emblems of sultan Muhammad and the army.

The proclamation of a state with an emblem, a leader and instructions to "wage war to eradicate and destroy irresponsible elements" is considered by government officials an act of sabotage, rebellion, terrorism and lese majeste. In the beginning, officials only thought that the proclamation of a state with its leader by the movement was just aimed at achieving unity in order to seek financial funding from foreign countries. No one thought that Langkasuka had adopted a systematic plan and was waiting for an opportunity in order to strike. The strategy adopted by the movement this time is more

interesting for study than in the past when the strategy only consisted of operations by armed bands and low level politics.

Highly placed sources told LAK THAI that foreign support certainly exists, but it comes from distant countries, the countries we already referred to in the past.

As for the maharaja of Langkasuka, Thai authorities still could not establish the identity of this person. And he has never been introduced openly. Anyway, intelligence officials are certain that Langkasuka is a merging of two groups of southern separatists, PULO [Pattani United Liberation Organization] and BNPP [Barisan Nasional Pembebasan Patani—Pattani National Liberation Front], with other small groups of Abdul Rahman and Samalae Thanam. The combat leader of PULO is Suding Thanam while the administrative leader is the Tengku Wira Kotanila or Na Wangkhram.

Our sources indicated that support from foreign countries was consistent in both financial funding and training in guerrilla warfare. Some combat leaders are still in the Middle East for training now. There is an evidence that at least 15 persons from three provinces in the south received training in guerrilla warfare in Syria in 1989. There was a picture of them taking training supervised by Syrian commandos. Suding Thanam is now under training in Libya.

LAK THAI has been told that the claim of involvement by the Shiite and Sunni sects in the recent rally in Pattani was misleading. There were only a few Shiite followers participating in the rally. Our sources said that the incident was a test of strength of Langkasuka, with PULO and BNPP as main force.

Of the four persons who were issued arrest warrants, only two of them are Shiites. The incident at Kruze mosque in Pattani was therefore aimed at alerting public attention to the existence of Langkasuka, taking advantage of given situation.

Our sources believes that it will be difficult to hold another rally at Kruze mosque on 15 June. Authorities have vowed to take drastic action. So the plan will have to be suspended. Supreme Commander General Sunthon Khongsomphon, who rushed to Pattani after the riot broke out called a meeting of all concerned authorities. He told them to take strong action against potential criminals without interfering with religion.

Gen. Sunthon said that a crime of lese majeste will not be tolerated. In his capacity as director of the Internal Security Command, he said that steps will be taken to solve the problem. Police are in charge of tracking down the culprits, and the ringleaders will be arrested soon.

From the army, Assistant Army Commander General Wimon Wongwanit also went to Pattani. He described the incident as a case of some people being fooled. He

declined to comment on foreign support for the group saying that he would speak out only when there is evidence.

15 Percent Increase in Power Demand Seen

BK3105005990 Bangkok BANGKOK POST in English
31 May 90 p 19

[Text] Thailand's fast-growing economy is likely to spark a 15 percent annual rise in demand for electricity in the next three years, according to a government energy planner. Dr Piyasawat Amranan, director of the National Energy Policy Office, predicted yesterday the kingdom would continue to enjoy a buoyant economy during 1991-94, with an annual gross domestic product growth of at least 10 percent.

The emergence of huge industrial projects and rapid urbanisation, supported by higher purchasing power, would contribute significantly to the high-growth in power demand, not to mention the existing strong demand, particularly in the industrial sector, he said.

At a seminar organised by the Energy Conservation Centre of Thailand [ECCT] yesterday, Dr Piyasawat said state power authorities would continue to face difficulties in providing additional generating capacity to meet demand.

He noted that while there were many big power plants joining the grid, demand was also growing very rapidly. The frequent blackouts and drops in voltage, particularly in industrial zones, are signs of the problems. Against this backdrop, the Government has a policy to encourage factories to install their own power-generating units through co-generation—a method to reuse steam and pressure. This would help relieve the burden on power authorities to build up power supplies and guarantee supplies for industries, he said.

ECCT director Phinit Kritiyarangsarn suggested the installation of a co-generation system would boost energy efficiency in a plant to 90 percent. Investment per one kilowatt of generating capacity is 25,000 baht and Mr Phinit said an industrialist could recover this investment in 2-4 years.

Vietnam

Nguyen Van Linh Discusses Economic Situation

PM1506101690 Paris L'HUMANITE in French
12 Jun 90 p 14

[Interview with Communist Party of Vietnam General Secretary Nguyen Van Linh by Jean-Pierre Delahaye in Hanoi; date not given]

[Text] Hanoi—Communist Party of Vietnam [CPV] General Secretary Nguyen Van Linh described for L'HUMANITE the country's economic situation, U.S.-Vietnamese relations, the rapprochement between Beijing and Hanoi, France's attitude, and the forthcoming

CPV congress. The Vietnamese communist leader gave his view on all these questions.

The CPV general secretary started by stressing that Vietnam is currently the target of political forces which are trying to destabilize the country. "Imperialism's desire to enslave us has not changed. With the recent events in East Europe and especially the leadership changes in the ruling parties, some people think the time has come to take the offensive further, notably to Asia, starting with Vietnam," Nguyen Van Linh said. He explained that the Vietnamese Government has proof of provocations organized from abroad: "Under cover of economic and tourist cooperation, the reactionary forces in some countries are infiltrating or reactivating some of their agents in Vietnam."

What is the state of relations between Vietnam and the United States? Remarking that the U.S. authorities are maintaining the economic blockade, the CPV general secretary noted that his country must rely primarily on its own strength, with the reforms implemented since 1986 helping to find a positive way out of the economic crisis. "Of course," he explained, "without the embargo, conditions would be more favorable." Nguyen Van Linh expressed indignation at the insincerity of Washington which, he explained, has increased the obstacles to the normalization of relations between the two states. He recalled that the White House had first invoked the problem of prisoners in the south, then that of the return of the bodies of U.S. soldiers who had been killed in action and, finally, the Vietnamese military presence in Cambodia. "Now that these questions have been settled, we would not be surprised if others were raised."

However, Nguyen Van Linh welcomed the new interest which some U.S. businessmen are showing in Vietnam. "Some people in the United States—not many as yet—are demanding a change in the government's attitude toward us. Some are motivated by profit, others want to finally close a rather inglorious chapter in American history. I welcome this new attitude which can help to break the economic blockade we have to face," the CPV general secretary stressed.

More generally, the communist leader advocated mutually advantageous cooperation. The Vietnamese Government, he explained, will remain vigilant with regard to any attempt to "recolonize through the economy." He said the policy of openness will continue and that all those who wish to work with Vietnam will be welcome. With regard to relations with France, the CPV secretary general said that French capitalism needs to "restore its image in Indochina" and that a struggle for influence is being waged among several economically developed countries, notably Japan and Australia. "France is moving closer to Vietnam, but this is still only a trend," he said, adding that he did not have "too many illusions."

With regard to relations with China, Nguyen Van Linh first remarked that the upheavals in East Europe have

made possible a counteroffensive by reactionary forces in the world. According to him, there is now a desire to speed up this movement to ensure that socialism disappears. "In this context," he said, "it is necessary to maintain good relations with the forces which are defending socialism in the world. We think the CPC and the Chinese Government are committed to the path of building socialism. The international situation requires us to give new impetus to our relations." The communist leader explained that the process of rapprochement between the two countries is slow and that points of disagreement are still under discussion. "Nonetheless, we have the firm will to pursue our action with a view to improving relations and cooperation between our two nations," the CPV general secretary said, stressing that the CPV intends to remain master of its line and its decisions.

Nguyen Van Linh then discussed the internal situation in Vietnam. He thinks the reforms adopted by the sixth congress in December 1986 are beginning to yield their first fruits. However, he thinks it is necessary to continue along the path of renewal, particularly in the sphere of agriculture and in the production of better quality consumer goods for the country and for export. "We have put an end to centralized and bureaucratic planning and the voluntarism which led us to make tragic mistakes. The development of democracy in many sectors of the economy now enables us to guarantee self-sufficiency in food, to export goods, and to have reserves. These are only the first fragile results, but they encourage us to continue along this path." The CPV secretary general thinks it is now necessary to improve the work of cadres, to make it more efficient, and above all to draw up fiscal legislation and a banking system making it possible to more efficiently regulate the money supply and halt inflation, which has already been considerably reduced. Measures should be taken during the next session of the Vietnamese National Assembly, which is due to be held in Hanoi from 15 June.

"We must guarantee economic stability at all costs to enable the political renewal to be completed," Nguyen Van Linh stressed, reaffirming very clearly the CPV's leadership role in the implementation of the reforms, "not in a bureaucratic way but by listening, holding dialogue, and explaining, constantly in step with and with the confidence of the Vietnamese people and workers. This is the way to succeed."

The CPV general secretary then emphasized three questions which should be discussed during the next congress of Vietnamese Communists, scheduled for the first half of 1991. The congress will primarily assess the action taken over the past four years. On this basis, it will define the policies necessary to meet the new constraints and will strive to reorganize the party to give further impetus to "Vietnamese-style creativity and renewal."

Nguyen Van Linh said he was optimistic for Vietnam's future in the coming years. "The we will follow is certainly not an easy one; it is tortuous and full of

pitfalls, but it is the path we have chosen despite the difficulties. The experience of recent years and the results obtained encourage us. After all, this is what being revolutionary means," the CPV general secretary concluded.

Trade, Economic Agreement Signed With Australia

*OW1406210990 Hanoi VNA in English 1513 GMT
14 Jun 90*

[Text] Hanoi 14 June (VNA)—An agreement on trade and economic cooperation between the Socialist Republic of Vietnam and Australia was signed here today by Minister of Commerce Hoang Minh Thang and the Australian minister for industry, technology and commerce, Senator John Button.

The agreement covers various fields such as energy and mining, natural resources, forestry, fisheries, livestock and crops, infrastructure development, agriculture and food processing, transportation, light industry (textiles, clothing, footwear, wool, cotton, skins and hides processing [word indistinct]) science and technology, environment, education, information technology, banking and finance, and tourism.

The agreement is aimed at providing a framework for increasing the involvement of enterprises and organizations in both countries in bilateral economic, commercial, scientific and industrial cooperation and encouraging the cooperation in mutually beneficial areas of interest and the expansion of financial and banking cooperation.

Earlier in the day, the visiting Australian trade mission led by Senator John Button, which is in its 2nd day in Vietnam, held talks with a Vietnamese delegation of the Ministry of Commerce headed by Vice-Minister Le Van Triet. During the talks, the Vietnamese side pointed to some concrete areas which may be ideal for joint venture of cooperation and of mutual interests such as in woolen carpet making, coal export and import, dairy-[portion of word indistinct] raising and production of consumer goods with raw material and potential human resources in Vietnam for export to Australia. Le Van Triet promised to create more favourable conditions for the projects signed between the two countries and expressed his wish for the further development of the bilateral cooperation.

Senator John Button said he shared with Vietnam the views on the mutual benefits and other issues.

Progress of Oil Enterprise With USSR Reported

*BK1306052790 Hanoi Domestic Service in Vietnamese
0500 GMT 12 Jun 90*

[Text] As of May 1990, the Vietnam-USSR Oil and Natural Gas Joint Enterprise had extracted more than one million tonnes of crude oil, 48,000 tonnes over the plan norm. Since 1986, the enterprise has extracted 3.5 million tonnes of crude. The enterprise has also since

early this year drilled more than 21,000 cubic meters, exceeding the plan norm by 80 percent.

At present, 80 percent of the drilling is handled by Vietnamese workers. Many senior positions such as head of oil rig and chief engineer are now assigned to Vietnamese.

Despite a recent slowdown on extraction due to repairs on an oil carrier for three weeks, southern section oil wells of the Bach Ho oil field have speeded up work and exceeded plan norm by five percent. The enterprise has also made test drills at two new wells in the Dai Hung oil field with notable results.

15 Jun National Assembly Meeting Reported

BK1506124190 Hanoi Domestic Service in Vietnamese
1100 GMT 15 Jun 90

[Text] The Eighth National Assembly's seventh session entered its second day of work at the conference hall today, 15 June, under the chairmanship of Chairman Le Quang Dao.

In the morning, the National Assembly discussed a report on the draft of a law on trade unions and heard the views of 25 National Assembly deputies from Haiphong municipality, Hanoi, Long An, Khanh Hoa, Nghe Tinh, Hai Hung, Thanh Hoa, Quang Nam-Danang, Tay Ninh, Nghe Tinh, Song Be, An Giang, Bac Thai, Kien Giang, Quang Ninh, Quang Ngai, Dong Nai, Thuan Hai, and Quang Tri Provinces. These views are centered on analyzing:

- Paragraph 1 of Article 8 about trade unions participating in shapping up social policies and joining with state organs and related organizations in administering social security as prescribed by law; and
- Paragraph 2 of Article 12 in the draft law on trade unions involving coordination between trade unions and state enterprise directors and the heads of state organs concerned in making decisions on such matters as wages, bonuses, housing, and enforcement of discipline to the extent of compelling workers to resign or terminating labor contracts early. In case a consensus over this matter is unattainable, the two sides shall report to responsible organs for settlement. Within 30 days since the day of receipt of a report on this issue, the responsible organs must answer the two sides so they can act accordingly.

After hearing the views of the National Assembly deputies, Comrade Nguyen Van Tu, president of the Confederation of Vietnamese Workers, expressed his views and futher clarified matters concerning the above paragraphs.

Finally, the National Assembly asked the committee charged with drafting the law on trade unions to study various suggestions raised by the National Assembly deputies and revise the draft law for submission to the National Assembly at a later date.

In the afternoon, the National Assembly discussed the draft of a law on agricultural tax in which it specifically dealt with the question of whether the collection rate of eight or 10 percent is to be applied. Nineteen National Assembly deputies from Dong Nai, Thua Thien Hue, An Giang, Hau Giang, Dong Thap, Ben Tre, Ha Nam Ninh, Nghe Tinh, Cuu Long, Hai Hung, Kien Giang, Thai Binh, Thanh Hoa, Binh Dinh, Tien Giang, and Quang Nam-Danang Provinces, Hanoi municipality, and Ho Chi Minh City expressed their views.

The National Assembly will continue in session tomorrow.

Haiphong Military Cadres Study Party Resolution

BK1306071990 Hanoi Domestic Service in Vietnamese
1400 GMT 11 June 90

[Text] In mid-May, the party committee of Haiphong city military command arranged a three-day conference for high-level, middle-level, and key cadres in all organs and grass-roots units to study the party Central Committee's eighth plenum resolution and to discuss measures for the implementation of this resolution. After studying and seeking a profound understanding of the resolution, the Haiphong city Armed Forces outlined a program for revolutionary action to help maintain political security and social order in all localities, inspire firm confidence in the party's policies and the people's strength and creativity, and to advance the country correctly on the socialist path chosen by esteemed Uncle Ho.

The city Armed Forces have continued to foster democracy extensively in the party, among the masses, and between cadres and soldiers. They have also continued to fortify their faith in the party's renovation process, take pride in the country's recent achievements, pay special attention to political and ideological indoctrination, stabilize themselves organizationally, and actively engage in production to improve their living conditions. While maintaining order and security, the city Armed Forces have undergone training regularly to strengthen themselves in every aspect and to remain combat ready to successfully ensure peace in the city as well as to help safeguard peace and stability in the entire country.

General Discusses Army's Class Character

BK1306141390 Hanoi QUAN DOI NHAN DAN
in Vietnamese 6 Jun 90 pp 1, 4

[Article by Major General Professor Tran Xuan Truong: "To Whom Does the Army Belong?"]

[Text] To whom does the army belong, the communist party or the state? This question was raised by many East European countries in 1989. The following is the answer, obtained from people who give themselves the right to speak in the name of socialism and political pluralism: The army belongs to the state. Only the National Assembly has the right to organize and use the army. The

army "must be free from politics and all party affiliation." The communist party must not be allowed to manipulate the Army.... We have lived long enough and witnessed enough events to understand the true nature of this question and answer, as well as all the consequences arising from the course of action resulting from this answer.

In their current peaceful evolution strategy, the imperialist forces are concentrating their attack on the communist party, the leading force of society, in order to create conditions for the anti-socialist political forces to seize power peacefully. To this end, the enemies of socialism have done everything possible to reduce the role of the army and to neutralize it. Thus, there has appeared the "theory" on the non-party character of the army as a complement to political pluralism. The enemies of socialism have picked the army as the main target of their campaign to disseminate this theory because they intend to cause political and ideological upheaval as well as confusion and disorientation among members of the Armed Forces at a time when more than ever before the latter needs to keep a clear head and maintain its political soundness in order to secure the survival of the people's administration. One must accept the bitter truth that because the enemies of socialism have succeeded in neutralizing the army to a certain extent, they have seized power easily. As far as Vietnam is concerned, some people intend to import this theory on the "non-party character of the army" from Europe.

If we asked the people who want the army to belong to the state, to whom the state belongs, they would probably answer that it belongs to the people. Now, if we asked them the composition of the people, we would receive very vague and abstract definitions, like this one: A collective of free individuals nurturing everlasting aspirations for democracy.... Thus, the questions of whom the army belongs to, its party or non-party and political or non-political character, are only part of a series of questions which we need to get back to the basics of social sciences in order to answer.

On the questions of the state and the army, democracy and dictatorship, the capitalist class has taken a very clear stance and has always forced those institutions and instruments to protect and serve its interests. In the meantime, the capitalist class has tried by all means to conceal the class character of those institutions and instruments. Bourgeois theoreticians have worked feverishly to set up a smokescreen by disseminating the concept of a superclass society and other vague and misleading notions about those very fundamental political issues.

On the contrary, Marxism-Leninism has recognized the class character of the various democratic systems and states, including the socialist democracy and state. While the bourgeoisie tries by all means to conceal the true nature of its democracy and state, which is but an instrument for a minority of people to dominate and exploit the majority of the working people, the socialist

democracy and state, in its capacity as the dictatorship of the majority of the working people in the fight against the minority of anti-socialist forces, needs not cover its class nature.

As a component of the state, the army always possesses a definite class nature, and belongs to a definite class. The bourgeoisie must conceal the class nature of its army, just like it must conceal the class nature of the bourgeois state and democracy. The law in many bourgeois republics might stipulate that soldiers will not join political parties but will only obey the state, represented by a president as their commander in chief. It might stipulate that all plans for building the army and compiling the national defense budget... must be approved by a national assembly. However, this in no way makes the bourgeois army "nonpartisan," nor does it prevent it from serving the bourgeoisie's political goals. This is because the bourgeois system of selecting and training officers and enlisted men can only make the ideology of its army a bourgeois one. Since the foreign and domestic policies of the state come from the bourgeoisie, the policies implemented by the army must be bourgeois politics. To sum up, just like everything under the capitalist regime, the army, which seems to stay outside of politics and under no party leadership, is in fact a bourgeois army under bourgeois leadership. It acts as an effective tool for the bourgeoisie to carry out its politics. This results in subtle and inconspicuous yet strict leadership. It is wrong to think of a "nonpartisan" army in the socialist state and to follow the model of the bourgeois parliamentary system in order to make socialism more democratic.

The class nature of the socialist state and army essentially requires the communist party to provide political, ideological, and organizational leadership—consistent and undivided—to the state and army. Without the communist party leadership, there would be no socialist democracy and state, nor would there be a "newstyle" army bearing the working class nature. It would be a political mistake if this point was not proclaimed publicly!

Of course, party leadership cannot be imposed by force. It can only be voluntarily recognized by the masses through the correctness of the party lines, tested by realities and through the exemplary pioneering acts of party members. Due to the party's shortcomings and weaknesses—the party's leadership is not yet equal to the party's mission, and some party members are corrupt, bureaucratic, privileged, degenerate, and deviant—its prestige among the masses is declining. The party must overcome these shortcomings, constantly raise its qualitative standards, purify its ranks, cut "all the tumors likely to cause cancer on the party's body," and consolidate and promote its prestige among the people. These are the solutions available to us now. We can in no way vacillate on the necessity of party leadership, nor can we oppose the authority of the state and people. In our regime, there is no opposition between the party leadership and the authority of the people in the management of the state and society. We cannot speak in abstract

terms about the people, nor can we improperly and demagogically uphold "the people's will," making it seem that they need no leadership at all and that they are able to spontaneously implement practical measures to advance the country. Although the ability and strength of the people is inexhaustible, in real life the revolutionary acts of tens of millions of people to achieve a common goal requires the role of the vanguard unit, the force that leads society. The political realities throughout the world the past few months have enabled us to learn that if we want to persevere on the socialist path, it is essential to strengthen and consolidate the communist party leadership. To refute this leadership means to introduce another leadership and to follow another path.

Born of the people's revolutionary struggle movement in the high tide of a general uprising to seize power, our Army, which has been built, educated, and trained by the communist party and Uncle Ho personally, has deeply borne the working class nature and, at the same time, has possessed a profoundly popular character. It was born of the people and fights for the people. Called by the people "Uncle Ho's soldiers," its name combines all the aforementioned characteristics. With its 45 years of existence as an armed tool of the state, our Army has been placed under the absolute, direct, and comprehensive party leadership, which has fundamentally directed all our Army's steps toward maturity and victories. At the same time, our Army is attached to the people and loved and supported by the people. It respects and obeys the people's administration at all levels. Realities in Vietnamese history have shown that party leadership, the people's mastery, and state management control over the Army is basically unified. This unification has become a valuable historic tradition, a tradition that no force can break. It is the product of the entire revolution and revolutionary war full of hardships and untold sacrifices of millions of people, including the blood and bones of people of all nationalities who have fallen, namely the communists, cadres and combatants of all Armed Forces, and citizens of both sexes and of all ages.

The question of "whose army is it?" and the demand that the army be separated from the communist party leadership and returned to the state power, are scientifically erroneous, politically harmful, and practically irrational. Apart from enemies and reactionaries who have raised this erroneous view, there may be some people who genuinely wish for a renovated democracy in our country. However, due to their lack of experience in the class struggle in society, they have been dazzled by the attractiveness of the above cited theories and slogans and have failed to see the true class substance behind them.

In the new situation, our Army should implement all the more creatively Uncle Ho's fundamental instruction that our Army must be "loyal to the party, the country, and the people." This means that our troops must obey absolutely the party leadership, be faithful to Marxism-Leninism, and be "ready to fight and sacrifice for the

fatherland's independence and freedom and for socialism." Now, the fatherland and socialism are one. The tasks of defending the country, the socialist regime, the revolutionary gains, and the people's interests are closely interrelated. The plots and maneuvers of aggression and subversion by enemies both inside and outside the country have changed and have become more insidious and complex. In such conditions, the Army must revamp itself and keep abreast of the requirements so that it can "fulfill all tasks, overcome all difficulties, and defeat all enemies."

Leaders Attend Congress on Dancers Association

*BK1306065590 Hanoi Domestic Service in Vietnamese
0500 GMT 12 Jun 90*

[Text] A congress was held in Hanoi on 11 June to mark the establishment of the Vietnam Dancers' Association. Attending the function were Dao Duy Tung, member of the Communist Party of Vietnam [CPV] Central Committee Political Bureau and secretary of the CPV; Tran Trong Tan, member of the CPV Central Committee and head of the party Central Committee Ideology and Culture Department; Cu Huy Can, chairman of the Vietnam Arts and Literary Union's central committee, representatives of artistic associations, and more than 150 dancers from throughout the country.

The congress organizing committee reported on the establishment of the association and the development and improvement of Vietnamese dancers. During the past 40 years, the Vietnamese dance sector has trained and set up 73 dance troupes comprising more than 1,000 dancers. More than 100 dance instructors were trained at home and abroad. The sector has produced more than 1,000 scripts of dance plays including 20 stage dance pieces. The art of Vietnamese dance has attracted a wide segment of people at home and abroad. The sector has four people's classical dancers and 28 outstanding professionals.

The Council of Ministers in late 1989 approved the establishment of the Vietnam Dancers' Association and it came into being after careful preparation.

After the opening ceremony, participants to the congress delivered speeches contributing ideas on the formulation of the association statutes and on strengthening and improving its work. The congress continued its session on 12 June to elect an executive committee of the association.

Dong Sy Nguyen Attends Nam Bo Conference

*BK1306130890 Hanoi Domestic Service in Vietnamese
2300 GMT 12 Jun 90*

[Text] Recently, in Ho Chi Minh City, Dong Sy Nguyen, vice chairman of the Council of Ministers, held a conference of the representatives of Nam Bo provinces and some export-import sectors to discuss urgent measures to solve the shortages of fertilizers in Nam Bo provinces.

As an immediate measure, localities will strive to import 68,000 tonnes of fertilizers which have been planned. The grain supply company of Ho Chi Minh City will import 45,000 tonnes and the agricultural supply company will import 20,000 tonnes. Reduction of the amount of fertilizer to be imported will be considered soon in the north in order to secure about 60,000 tonnes of urea fertilizer in June 1990 for the summer-fall crop season.

Comrade Dong Sy Nguyen charged the agriculture and food industry ministry with coordinating the import and supply of fertilizers. It must pay attention to consolidating the network of material supply and the system of retail sales by reducing intermediary links. This ministry must also create all favorable conditions for rapidly dispatching fertilizers to peasants.

Rice Production Situation, Suggestions Reported

*BK1306091590 Hanoi Domestic Service in Vietnamese
2300 GMT 11 Jun 90*

[Text] Thanks to the relatively favorable weather conditions during the past 10 days, the northern provinces have been able to concentrate on rapidly harvesting winter-spring rice.

According to the Ministry of Agriculture and Food Industry, to date these provinces have finished the harvesting of winter-spring rice on nearly 80 percent of the cultivated area. However, the yield of winter-spring rice this year is lower than that in 1989. Along with harvesting winter-spring rice, the provinces have begun to plant 10th-month rice and sow summer-fall rice seeds. As of 5 June, the entire country had planted summer-fall rice on more than 947,000 hectares—only 77 percent of the planned area or 62 percent of the area planted during the same period last year.

A matter of concern is the present shortage and increase in prices of fertilizer, especially in the Mekong River Delta. This problem will have an adverse effect on the fulfillment of the summer-fall rice and 10th-month rice cultivation plans.

In the northern provinces, although the situation of insects ravaging winter-spring rice has eased, leafhoppers of the third litter are continuing to develop, thus causing

damage to the late winter-spring rice plantings. Meanwhile, ground beetles are doing harm to the early 10th-month rice plantings. In the southern provinces, the infestation of stem borers on spring-summer rice and summer-fall rice has diminished. However, rice hispa and nigrospora oryzae have appeared scatteringly on spring-summer rice in the central provinces.

It is necessary for the northern provinces to accelerate soil preparation in ricefields slated for the spring crop season, as well as in low-lying ricefields slated for early 10th-month rice. They must keep water in high-lying ricefields for soil preparation in case of drought at the beginning of the cultivation season. Attention must be paid to protecting the early 10th-month rice plantings against stem borers.

The southern provinces should accelerate the sowing of summer-fall rice seeds and actively create additional sources of fertilizer for summer-fall rice and 10th-month rice, while adopting effective measures for the cultivation of summer-fall rice right from the beginning of the crop season to avoid rice leaf yellows.

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[Summary from poor reception] In its June 1990 issue, TAP CHI QUOC PHONG TOAN DAN carries a series of articles contributing ideas on the best methods to study effectively and understand profoundly the Communist Party of Vietnam Central Committee's eighth plenum resolution.

The journal begins with an article by Senior Lieutenant General Nguyen Nam Khanh: "Firmly Grasp the Guiding Concepts in Renovating the Party Mass Mobilization Work and Vigorously Accelerate the Mass Movement for Revolutionary Action in the Army."

This is followed by Lieutenant General Le Xuan Loc's article: "Socialist Revolution and the Communist Party Leadership According to President Ho Chi Minh's Concept," opposing pluralism and stressing the significant role of the Communist Party leadership over the socialist revolutionary cause.

In its "Information and Research" section, the journal carries an article by Major General Doan Chuong on the renovation undertaking in our country and an article by professor Tran Nham, deputy director of the Institute of Marxism-Leninism entitled: "Our Attitude Toward a Socialist Society." [the remainder were unmonitorable]